

Focusing on

Flagler



FLAGLER COUNTY FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2019

FLAGLER COUNTY

Coming into Focus!



2019 brought a renewed focus on life in Flagler County. Still recovering from hurricanes Matthew and Irma we were grateful for a relatively quiet hurricane season which brought only one storm of consequence. Hurricane Dorian proved to be a test case for the recently replenished dunes system which passed with flying colors.

We also saw Flagler County Schools achieve an "A" rating for the first time in 8 years. This is a testament to the hard work and commitment of the Superintendent and all district staff. This accomplishment places our schools among the top performers in the state.

No focus on Flagler County could be complete without attention to the active leisure lifestyle our expanding coastal community offers. Our residents and guests enjoy scenic parks and trails, extensive aquatic activities, hunting, fishing, golf, tennis, pickle ball, shopping, casual and fine dining and of course our crown jewel the beaches of Flagler County.

Flagler County uses its resources to provide an atmosphere that is conducive to attracting and keeping businesses within the county for the benefit of its residents and visitors. Flagler County strives to expand sustainable employment opportunities for residents, and partners with local governments and municipalities to create a network of resources to assist businesses in all their needs. Our County continues to work with commercial and residential developers to ensure projects routed, tracked and reviewed from start to finish.

As a result of these attributes, Flagler County grew. We witnessed a nearly 20% increase in building permits resulting in over 1 billion dollars in increased property values. Flagler County has and will remain steadfast and focused on maintaining the quality of life for its present and future citizens and guest.



FLAGLER COUNTY, FLORIDA

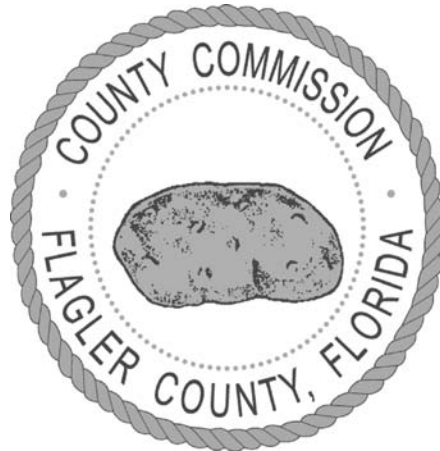
COMPREHENSIVE ANNUAL

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2019

**Prepared by the Clerk of the Circuit Court and Comptroller
Department of Finance**



**FLAGLER COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
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FLAGLER COUNTY, FLORIDA

PRINCIPAL OFFICIALS

BOARD OF COUNTY COMMISSIONERS

Donald T. O'Brien, Jr. – **Chair** - District 5

David Sullivan – **Vice Chair** – District 3

Charles Ericksen, Jr. – District 1

Gregory Hansen – District 2

Joseph Mullins – District 4

**CLERK OF THE CIRCUIT COURT AND COMPTROLLER AND CLERK TO
THE BOARD OF COUNTY COMMISSIONERS**

Tom Bexley

TAX COLLECTOR

Suzanne Johnston

SHERIFF

Rick Staly

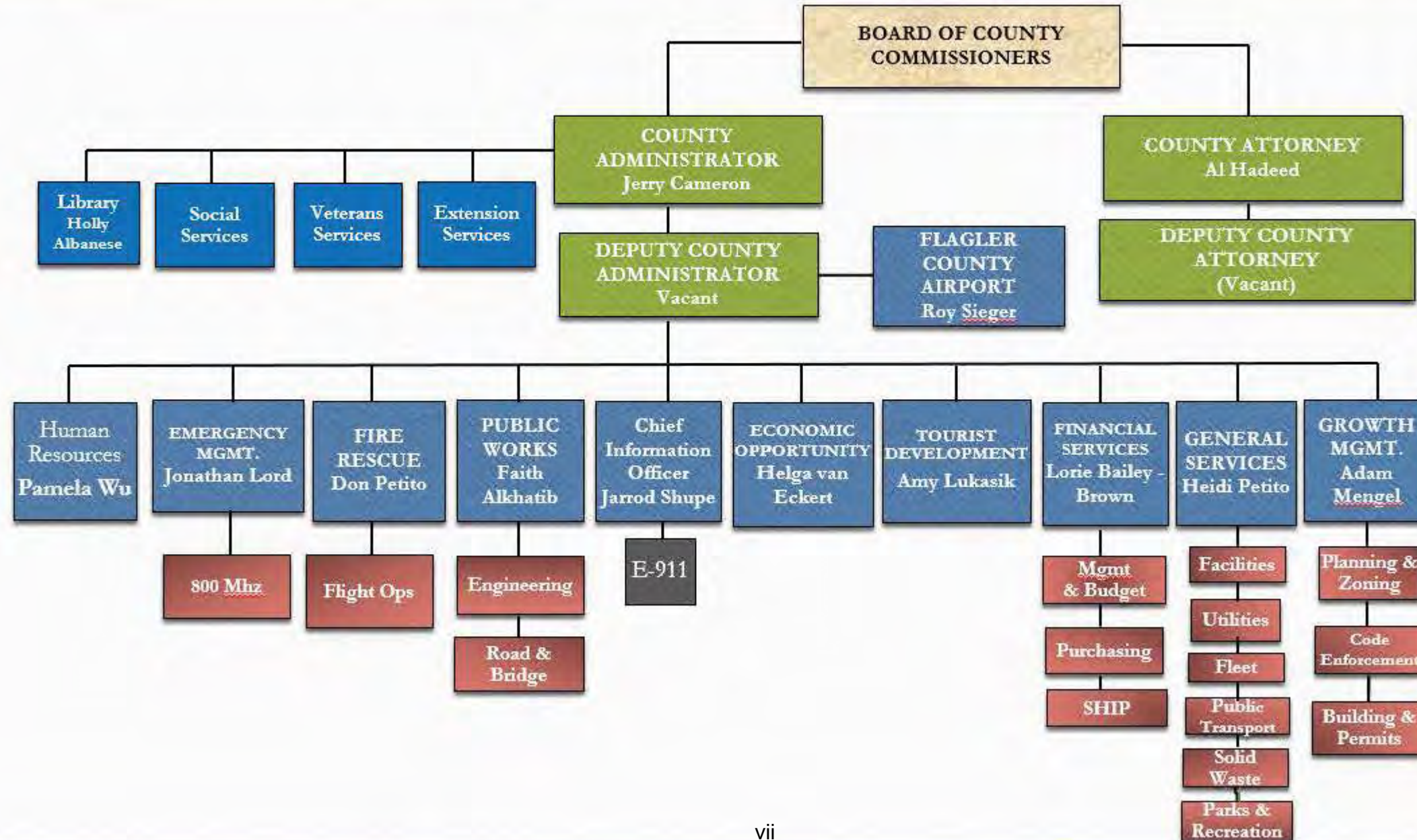
PROPERTY APPRAISER

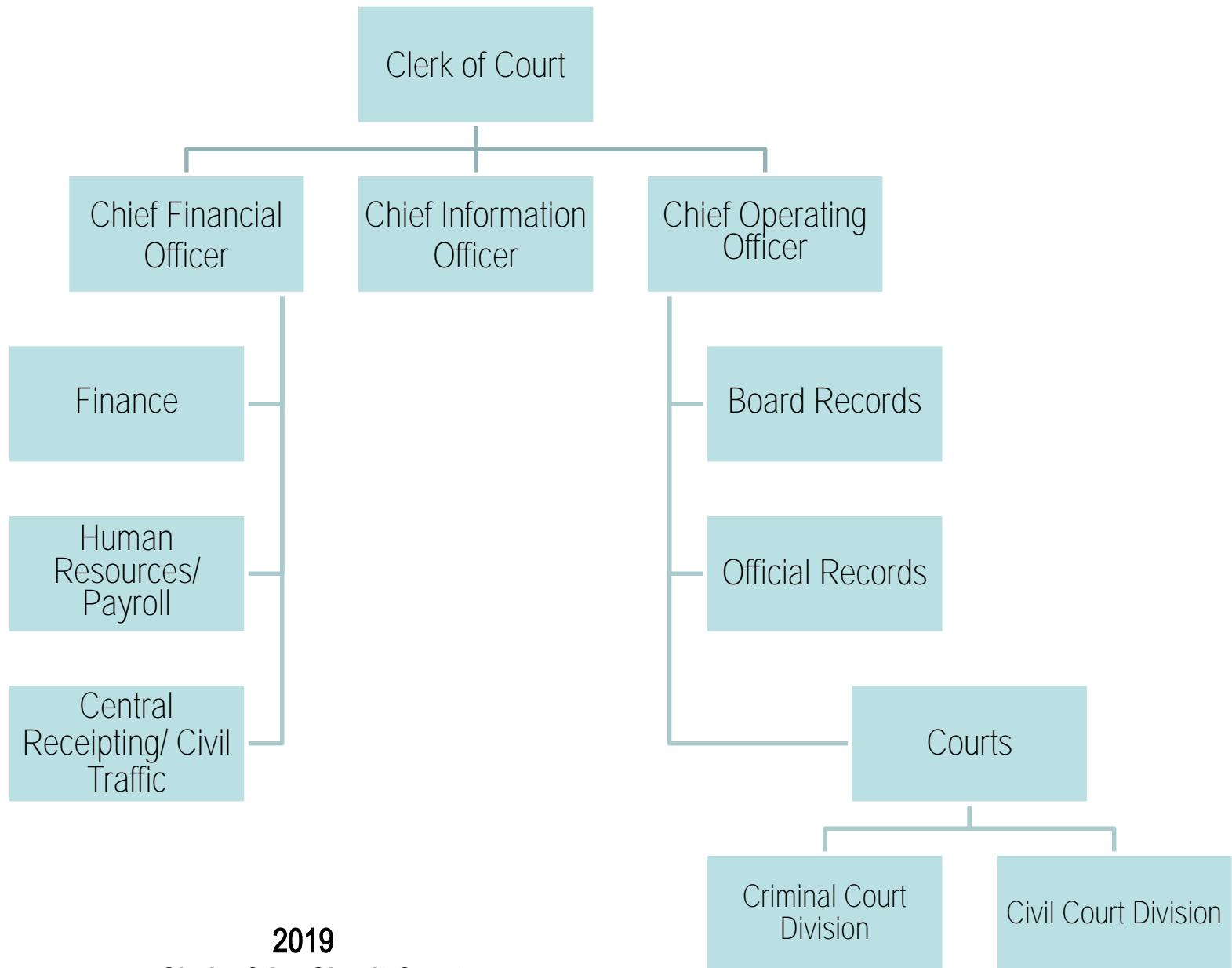
James Gardner

SUPERVISOR OF ELECTIONS

Kaitlyn Lenhart

ORGANIZATIONAL CHART

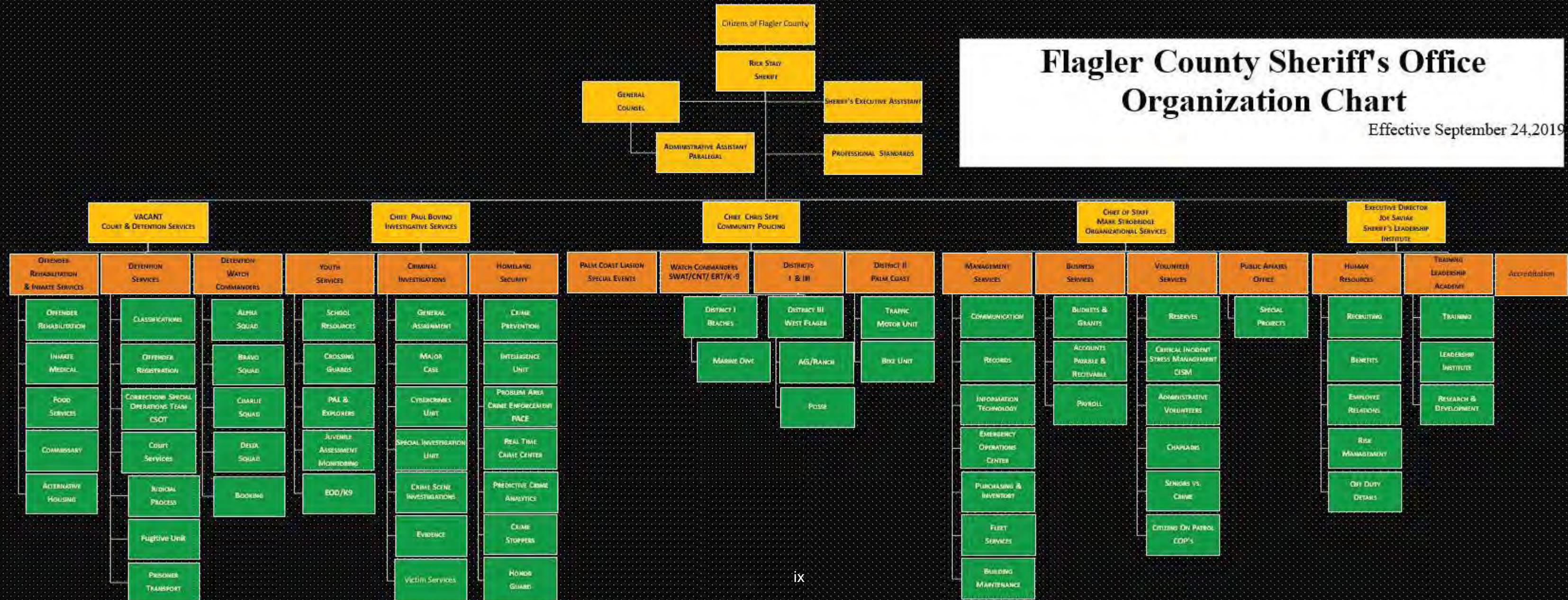




2019
Clerk of the Circuit Court
& Comptroller
Organizational Chart

Flagler County Sheriff's Office Organization Chart

Effective September 24, 2019



FLAGLER COUNTY TAX COLLECTOR 2018-2019
DOR

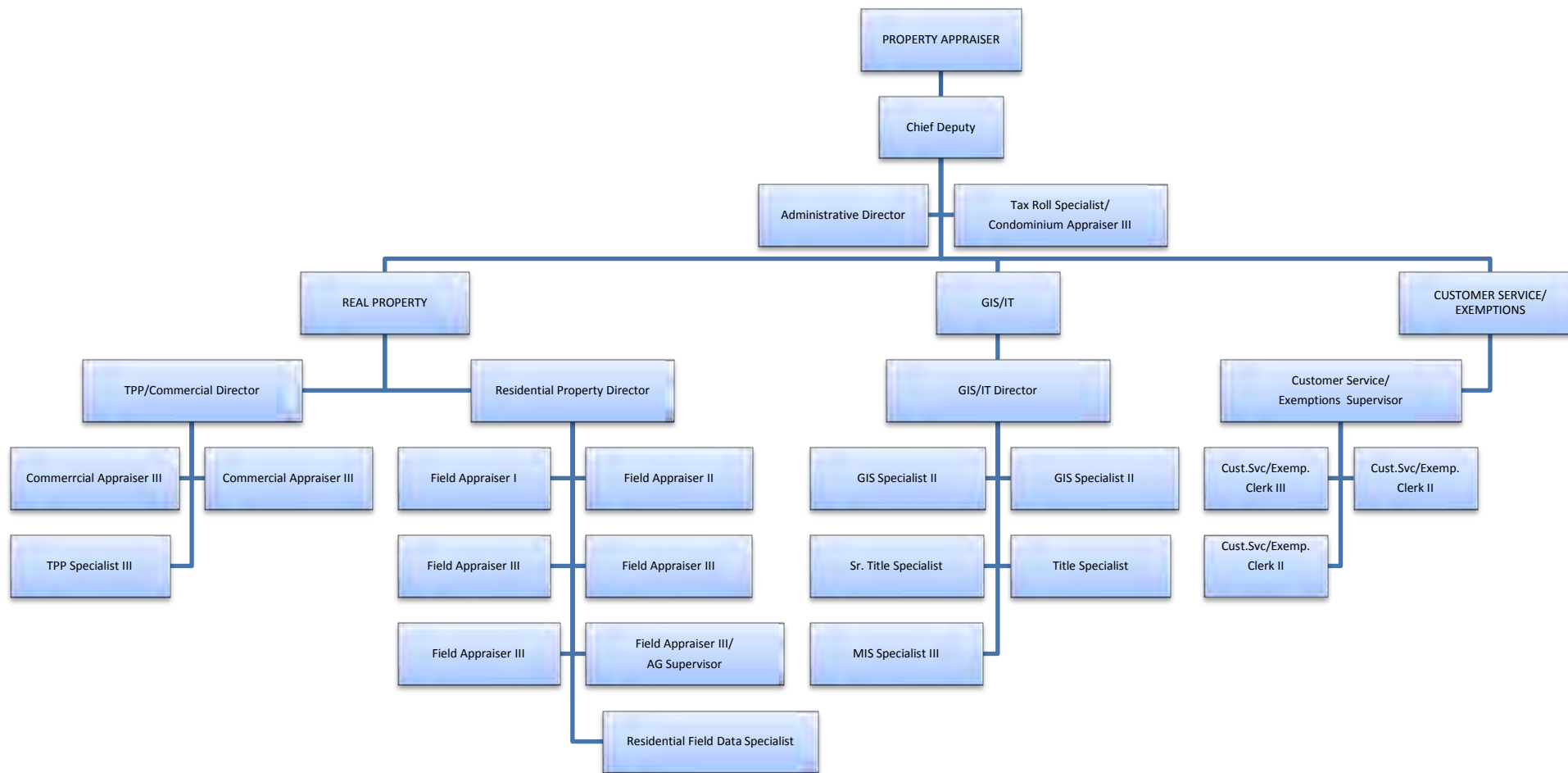
TAX COLLECTOR ELECTED OFFICIAL #1
ASSISTANT TAX COLLECTOR #2

DIRECTOR OF MOTORIST SERVICES #17

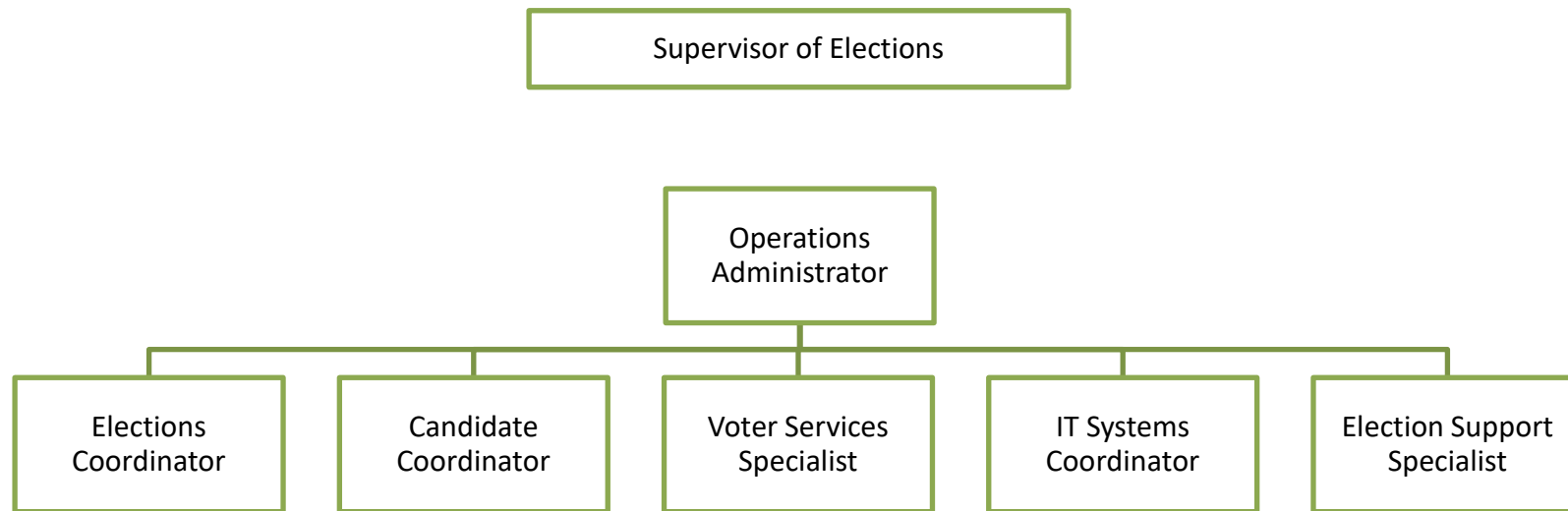
TAX DIRECTOR #15

SPECIALITY TAX DEPARTMENT

PHONE ROOM	MAIN OFFICE	BRANCH OFFICE	BRANCH OFFICE	TAX DEPARTMENT	TAX AND FEES DEPARTMENT	FINANCE
COMMUNICATION SUPERVISOR #11	DRIVER LICENSE MANAGER #22	TAX/TAG/DL AGENT II MANAGER #16	BRANCH MANAGER #4	TAX, TDA DELINQUENT SPECIALIST #8	BANK., TPP, LBTR, TDT DELO SPECIALIST #19	FINANCE TAX/TAG/DL #34
TAG & COMMUNICATION SPECIALIST #20	TAX/TAG/DL AGENT II #6	TAX/TAG/DL AGENT II #27	DEALER SERVICES/ CW SPECIALIST #10		TOURIST TAX SPECIALIST #43	FINANCE SPECIALIST PT #14
TAG & COMMUNICATION SPECIALIST #5	TAX/TAG/DL AGENT I #29	TAX/TAG/DL AGENT I #36	TAX/TAG/DL/ DEALER AGENT II #3			IT DIRECTOR #42
TAX/TAG/DL/COMMUNICATION AGENT I #13	TAX/TAG/DL AGENT I #18	TAX/TAG/DL AGENT I #24	TAX/TAG/DL/ DEALER AGENT I #37			AMBULANCE SPECIALIST #32
	TAX/TAG/DL AGENT II #23	TAX/TAG/DL AGENT I #26	TAX/TAG/DL/DEALER AGENT I #35			
	TAX/TAG/DL/CW LBTR AGENT #40	TAX/TAG/DL AGENT I #39	TAX/TAG/DL/DEALER AGENT I #28			
	TAX/TAG/DL/High Speed AGENT I #38	TAX/TAG/DL AGENT I #12				
	TAX/TAG/DL AGENT I #41					
	DRIVER LICENSE EXAMINER #21					
	TAX/TAG/DL AGENT I H/S PROCESSOR #7					
	TAX/TAG/DL AGENT I #30					



2018-2019 FISCAL YEAR





TOM BEXLEY, Clerk of the Circuit Court & Comptroller

1769 East Moody Blvd., Building #1 • Bunnell, Florida 32110
Phone: (386) 313-4400 • Website: flaglerclerk.com

June 29, 2020

To the Honorable Board of
County Commissioners and to the
Citizens of Flagler County, Florida

In accordance with Section 218.39 of the Florida Statutes, we are pleased to submit to you, the Board of County Commissioners and the citizens of Flagler County, the Comprehensive Annual Financial Report of Flagler County, Florida, for the year ended September 30, 2019.

State law requires that every general purpose local government publish, within nine months of the close of the fiscal year, a complete set of financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of the Circuit Court and Comptroller as Chief Financial Officer of Flagler County. We believe the financial and statistical information presented is accurate in all material respects, and is set forth in a manner designed to fairly present the financial position and result of operations of the County.

The County is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition. The cost of a control should not exceed the benefits and such decisions are the responsibility of County management.

Flagler County's financial statements for the year ended September 30, 2019 have been audited by the independent accounting firm of Carr, Riggs & Ingram, LLC, licensed in the state of Florida. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors rendered an unmodified opinion, based on their audit the County's fiscal year ended September 30, 2019 financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

In accordance with the requirements of Section 215.97 of the Florida Statutes, the independent audit of the County financial statements was part of a mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in the section entitled Compliance. Governmental accounting and auditing principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement

the MD&A and should be read in conjunction with it. The MD&A follows the independent auditor's report.

County Services and Reporting Entity

Flagler County was established in 1917 by the legislature of the State of Florida. Its territorial limits, as they presently exist, contain approximately 485 square miles of land area and 86 square miles of water area for a total area of 571 square miles. The County is located on the northeast coast of the Florida peninsula approximately 60 miles south of Jacksonville, Florida and 24 miles north of Daytona Beach and has approximately 19 miles of beachfront on the Atlantic Ocean. The County is bordered by St. Johns County to the north, Putnam County to the west and Volusia County to the South. The County is comprised of five municipalities – Palm Coast, Flagler Beach, Beverly Beach, Bunnell and Marineland.

The County operates under a commission/administrator form of government, with a governing body consisting of five county commissioners. The County is divided into five geographical districts, with five commissioners elected from one of each of these separate districts. The County Commissioners are the policy decision makers. In addition to the Board of County Commissioners, there are five elected constitutional officers performing specifically designated governmental functions: Clerk of the Circuit Court and Comptroller, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

Formal budgetary integration is employed as a management control device during the year for all governmental funds of the County for which annual budgets are adopted. Budgets for all governmental fund types are adopted on a basis consistent with GAAP, with the exception of the Municipal Services sub-fund portion of the General Fund. The office of the Sheriff, Property Appraiser and Supervisor of Elections each operate their respective offices as budget officers with funding provided by the Board in the form of operating subsidies. In return, each budget officer is responsible for the collection of revenues within their jurisdiction area, and for the subsequent remittance of those collections to the Board. The Tax Collector is operated as a fee office. The Clerk of the Circuit Court and Comptroller operates a portion of the office as a budget officer, with the remainder being operated as a fee officer. Fee officers are authorized to retain revenues generated within their offices for the purpose of defraying the costs of operations. The Clerk of the Circuit Court and Comptroller serves as Clerk to the Board of County Commissioners and Controller for all board fiscal duties. The Clerk also serves as Clerk to the Circuit and County Court.

Cash management is exercised independently by each constitutional officer. The Clerk of the Circuit Court and Comptroller serves as the treasurer and custodian of County funds and disburses funds on their behalf as required by law, and applicable management directives. Investment of idle funds is performed in accordance with the County's Investment policy.

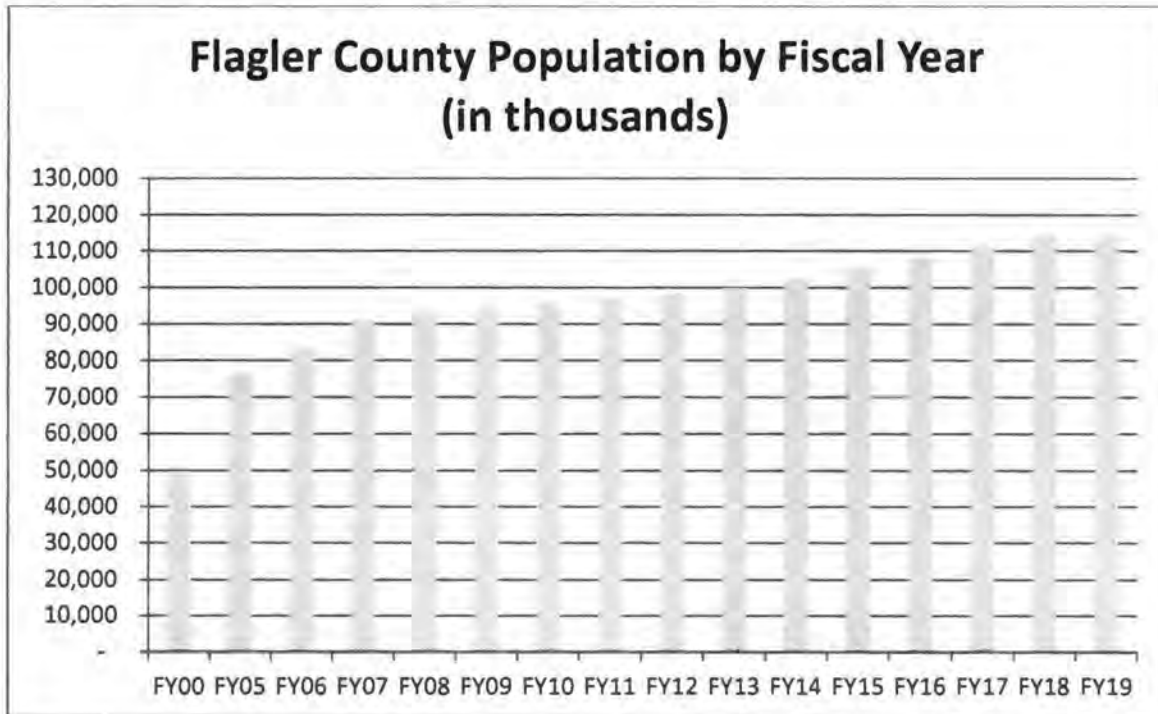
In developing and evaluating the accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets and the reliability of financial records in order to prepare accurate financial reports.

Economic Condition and Outlook

Financial condition may be defined as the ability to balance cyclical expenditure needs with recurring revenue sources, while providing adequate services on a continuing basis. Given the County's financial statements are a snapshot of the activities of the previous fiscal year, the best understanding can be achieved by examining the environment in which the County functions. Assessing financial condition is dependent on many different factors, not limited to but including: local economy, planning and projects, management policies and practices, and risk management.

Local Economy

Flagler County is a part of Northeast Florida's "First Coast" – a region rich with history. This area is economically diverse: from shipping and heavy industry to tourism and leisure activities. Flagler County experienced unprecedented growth in the last 15 plus years; at one point, known as the fastest growing county in the U.S. (CNN Money, March 2006). The County had a population of 95,696 as of the 2010 U.S. census. The 2010 Census showed a 92% increase between the years of 2000 and 2010. The 2000 U.S. Census showed an increase in the population of the County of 73.6% between the years of 1990 and 2000.



The principal commerce during this population explosion was a continued agricultural presence with the lion share of expansion resulting from the residential home building industry. The County issued 3,590 building permits in the 2019 fiscal year representing an increase of 16.5% from the previous year. The international economic crisis of the late 2000's hit Flagler County particularly hard. Unemployment numbers reached a high in 2010 of 15.1%. Flagler County now enjoys a much lower 4.1% rate, slightly higher than the state and national averages. The median household income is hovering at about \$53,872, comparably equal to the State of Florida per household median of \$53,267. A stagnant school enrollment of around 13,131 students at the two local high schools, two middle schools, five elementary schools and one charter school over the previous 5 years reflects the County's population stability and lack of noticeable growth.

Planning and Projects

Significant population growth in the last 15 plus years demands infrastructure improvements. The previous population graphic, showing a more than doubling of population in the last 15 plus years from 50,000 to 115,000 residents, clearly establishes the necessity for capital growth and expansion as well as maintenance and upgrades to current infrastructure. Flagler County Government has responded to these demands both proactively and reactively. The following examples of ongoing projects reflect a healthy response to growth and a plan focusing on long term stability.

Major capital projects and improvements

- The County issued a Pooled Commercial Loan Program from Florida Local Government Finance Commission in the amount of \$1,000,000, to finance improvements to the County's existing Enterprise Resource Planning (ERP) software and the purchase of various Fire Rescue equipment.
- The County issued a \$3,781,000 Utility System Revenue Note, Series 2019, to finance the installation of an expandable Reverse Osmosis water treatment plant at Plantation Bay.
- The County signed a Project Partnership Agreement with the Department of the U.S. Army Corps of Engineers for a Florida Coastal Storm Risk Management Project. This project means a 10-foot dune and beach profile extension along 2.6 miles of shoreline in Flagler Beach.
- The County issued a Tax-Exempt Lease/Purchase Agreement in the amount of \$1,200,000, to purchase police vehicles and other ancillary equipment.

Management policies and practices

Flagler County's investment policy is largely guided by State statute. The purpose of this policy is set forth in the investment objectives and parameters for the management of the public funds of Flagler County Board of County Commissioners. This policy focuses on three main criteria: safety, liquidity and yield. Thus the policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable fund and financial markets. This approach allows the County to maximize financial return within the parameter of acceptable risk. The current investment policy designates a number of safeguards and loss prevention measures, including:

- Delegations of authority
- Standards of prudence
- Ethic and conflicts of interest
- Internal controls and investment procedures
- Continuing education
- Authorized investment institution and dealers
- Maturity and liquidity requirements
- Risk and diversification
- Master repurchase agreements
- Competitive selection of investment instruments
- Authorized investments and portfolio composition
- Performance measurements
- Reporting
- Third-party custodial agreements
- Formal investment policy adoption

For the fiscal year ended September 30, 2019, the County had a yield to maturity at cost of 2.19%, outperformed the benchmark's yield of 1.84% by 0.35%. Flagler County has FY 2019 assets totaling approximately \$495 million with total liabilities of \$227 million. This strong financial footing is reinforced by Standard & Poor's Ratings Services. The S &

P outlook is positive and affirmed by its 'AA-' rating on Flagler County's outstanding general obligation (GO) bonds and its 'A+' rating on the County's capital improvement and revenue refunding bonds. They also assigned our 'AA-' rating to the county's series 2015 GO refunding bonds.

The GO bonds are secured by the county's full faith, credit and resources pledge, while its covenant to budget and appropriate from legally available non-ad valorem revenue secures the capital improvement and revenue refunding bonds. Non-ad valorem revenue means all legally available general fund revenue other than those generated from property tax.

Risk management

Flagler County acknowledges a multitude of inherent risks. These perceived risks are mitigated by a conservative self-insurance program and third party insurance policies to lessen the potential for large unforeseen losses.

Employee life and health insurance is provided as a benefit under a health insurance plan administered by a third party vendor. Employees pay for the cost of family health insurance coverage. The County recognizes and provides funding for all losses up to \$175,000. There is third party stop-loss insurance policy in place which responds to claims in excess of this limit.

The County oversees the acquisition and administration of Workers Compensation insurance as well as Employment Practices Liability Coverage. Additionally, the County manages the purchase of all commercial insurance policies for the economic protection of County assets.

County administration and legal counsel establishes appropriate policies and supports compliance with the policies and County standard for insurance held by contactors, tenants, vendors, concessionaires, and others whose actions may expose the County to the risk of financial loss.

Goals and Objectives

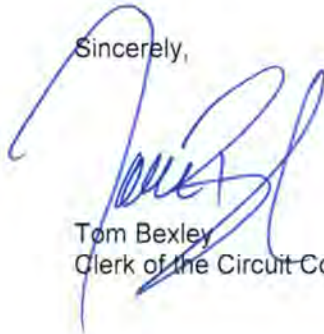
Management's goals and objectives are to continue to provide infrastructure for future growth, sound fiscal management and to maintain the quality of services provided to the citizens of Flagler County. Further, The County plans to expand and diversify its economic base in order to control the tax burdens on the local taxpayer. This will be accomplished through recruitment and retention of contributory businesses which derive their incomes and payrolls from exports of goods or services outside the local economy. Active promotion is necessary to attract these would be businesses to Flagler, strengthening and enhancing its existing business base.

Flagler County's economy has shown improvement over the most recent years as witnessed by a significant drop in unemployment and a drastic increase in building permits. While the County has historically relied on property taxes and intergovernmental revenues to fund its operations, the continued and ongoing goal is to spur commercial development to bolster the tax base and reduce the historic necessity on ad valorem taxes to fund County operations. Flagler County government continues to operate on a conservative budget.

Acknowledgments

A Comprehensive Annual Financial Report of this nature could not have been prepared without the efficient and dedicated service of all staff members involved. Also appreciated are the efforts of elected officials and members of the County staff, for their interest and support in planning and conducting the financial operation of the County in a progressive and responsible manner.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tom Bexley', is written over the printed name and title.

Tom Bexley
Clerk of the Circuit Court and Comptroller

INDEPENDENT AUDITORS' REPORT

The Honorable County Commissioners
Flagler County, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Flagler 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.

Auditors' Responsibility

Our responsibility is to express opinions 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As described in Note 5 to the financial statements, the County made a prior period adjustment to the September 30, 2018 net position of governmental activities to correct capital assets, net of depreciation. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules listed in the table of contents as required supplementary information 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 opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section 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* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, 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. The 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 and individual fund financial statements and schedules, 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 introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 26, 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.

Carri Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 26, 2020

Management's Discussion and Analysis

Flagler County's management discussion and analysis presents a narrative overview and analysis of the County's financial activities for the fiscal year ended September 30, 2019. Readers are encouraged to consider its content in conjunction with the County's financial statements beginning on page 14.

Financial Highlights

- Total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows, reported as net position, by \$293,668,084 as of September 30, 2019.
- Total net position increased by \$13,728,887, including prior period adjustments.
- Total governmental activities net position increased by \$12,038,849. This is attributed to an increase in General Revenues of approximately \$7.0M primarily in the areas of Property Taxes and Interest Revenue. The majority of governmental activity above average levels was in public safety with an approximate increase of \$7.4M resulting from Public Safety Communications Network System.
- Total business-type activities net position increased by \$1,690,038. This is as a result of revenues increased on charges for services and operating grants in both the Airport and Utilities business activities in the amounts of approximately \$0.3M and \$1.0M respectively. Business-type activities expenditures increased approximately \$0.9M for all activities.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements, which consist 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, liabilities, and deferred inflows, with the difference between the sum of assets and deferred outflows, minus the sum of liabilities and deferred inflows, reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the fiscal year ended September 30, 2019. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods such as uncollected taxes and earned but unused personal leave.

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities types of the County include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation, court related and interest on long-term debt. The business-type activities of the County include the airport, utilities, landfill, and waste management.

The government-wide financial statements can be found on pages 14 - 15 of this report.

Fund financial statements

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

Governmental funds

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

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

The County maintains numerous individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Government Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Constitutional Gas Tax, Tourist Development Tax-Beach Restoration and Capital Projects which are considered major funds. Information related to the additional non-major governmental funds is combined into a single aggregated presentation. Individual fund information for each of these non-major governmental funds is provided in the form of combining statements.

The County adopts an annual appropriated budget for its general, budgeted special revenue and debt service funds as well as project-term budgets for the capital projects funds. A budgetary comparison statement has been provided for the General Fund and any major and non-major funds with annually appropriated budgets to illustrate compliance.

The governmental fund financial statements can be found on pages 16 – 19 of this report.

Proprietary funds

The County maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to airport operations, water and wastewater services, refuse disposal and waste management to unincorporated parts of the

County. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its employee group insurance program. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, while furnishing more detail. The proprietary fund financial statements provide separate information for airport operations, and water and waste water services, and aggregate information for the County's two non-major proprietary funds: sanitary landfill and waste management. Internal service funds have been reported in an aggregated presentation with the proprietary fund financial statements.

The basic proprietary financial statements can be found on pages 20 - 23 of this report.

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 statement because the resources of those funds are not available to support the County's programs. The accounting treatment of fiduciary funds is similar to proprietary funds described above.

The basic fiduciary fund financial statements can be found on page 24 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 25 - 63 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This includes budget and actual comparisons for the general funds and major special revenue funds with adopted budgets. This also includes the County's schedules of proportionate share of net pension liability, schedules of employer contributions, and progress in funding of its Other Postemployment Benefits (OPEB) obligation. Required supplementary information can be found on pages 65 - 70 of this report.

Government-wide Financial Analysis

FLAGLER COUNTY, FLORIDA						
NET POSITION						
(in thousands)						
	Governmental		Business-type			
	Activities		Activities		Total	
	2018	2019	2018	2019	2018	2019
Current and other assets	\$107,685	\$ 90,416	\$ 8,895	\$ 14,089	\$116,580	\$104,505
Capital assets	320,456	340,817	47,229	50,090	367,685	390,907
Total Assets	428,141	431,233	56,124	64,179	484,265	495,412
Deferred Outflows	31,617	31,207	358	397	31,975	31,604
Non-current liabilities	173,134	180,110	14,069	20,195	187,203	200,305
Other liabilities	38,842	23,645	2,799	3,053	41,641	26,698
Total Liabilities	211,976	203,755	16,868	23,248	228,844	227,003
Deferred Inflows	7,440	6,305	17	41	7,457	6,346
Net position						
Net investment in capital						
Assets	227,959	243,581	33,486	29,963	261,445	273,544
Restricted	47,158	46,612	1,226	1,379	48,384	47,991
Unrestricted	(34,775)	(37,812)	4,885	9,945	(29,890)	(27,867)
Total net position	\$240,342	\$252,381	\$ 39,597	\$ 41,287	\$279,939	\$293,668

Net position may serve over time as a useful indicator of the County's financial position. Total assets and deferred outflows of the County exceeded liabilities and deferred inflows by \$293,668,084 as of the fiscal year ended September 30, 2019.

The largest reported amount of the County's net position \$273,544,369 reflects its investment in capital assets, less the related outstanding debt used to acquire those assets. The County uses capital assets to provide services to citizens; therefore, these assets are not available for future spending. The county's investment in capital assets is reported net of related debt, and should be noted that resources required to repay this debt must be provided from other sources, since the capital assets cannot be used to reduce these liabilities.

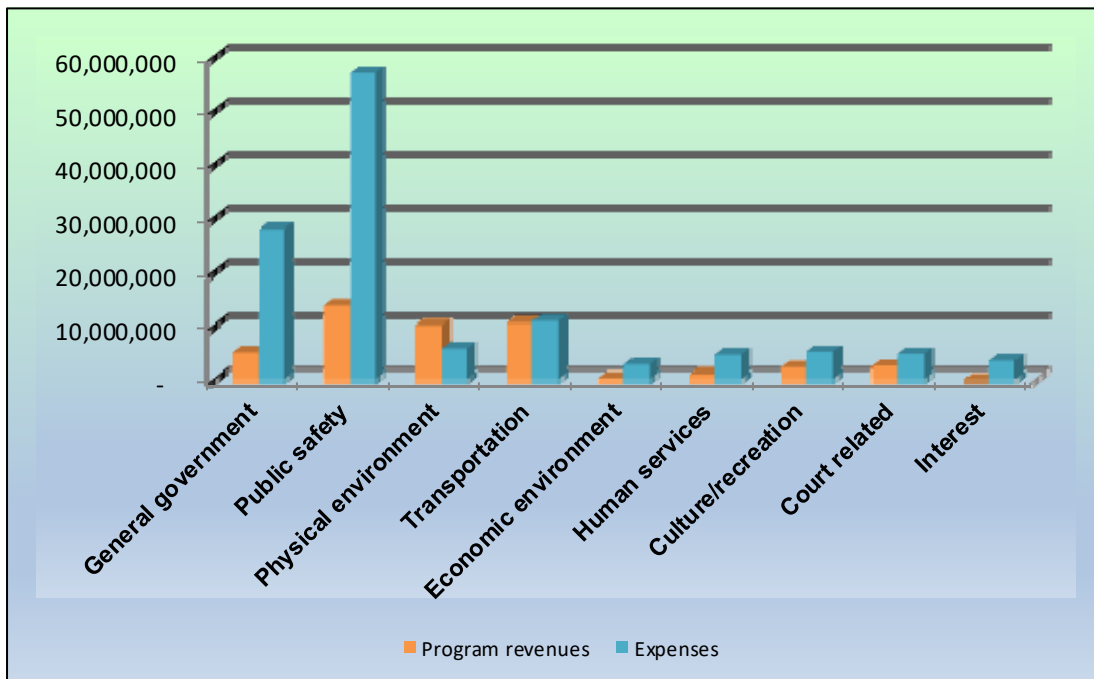
The County's Restricted Net Position amounted to \$47,991,067; this amount represents resources that are subject to external restrictions on their use. The County reported negative Unrestricted Net Position in the amount of \$27,867,352; unrestricted net position may be used to meet the County's ongoing obligations to its citizens and creditors.

At September 30, 2019 the County is able to report positive balances in two categories of net position for governmental activities and positive balances for all three categories of net position for business-type activities.

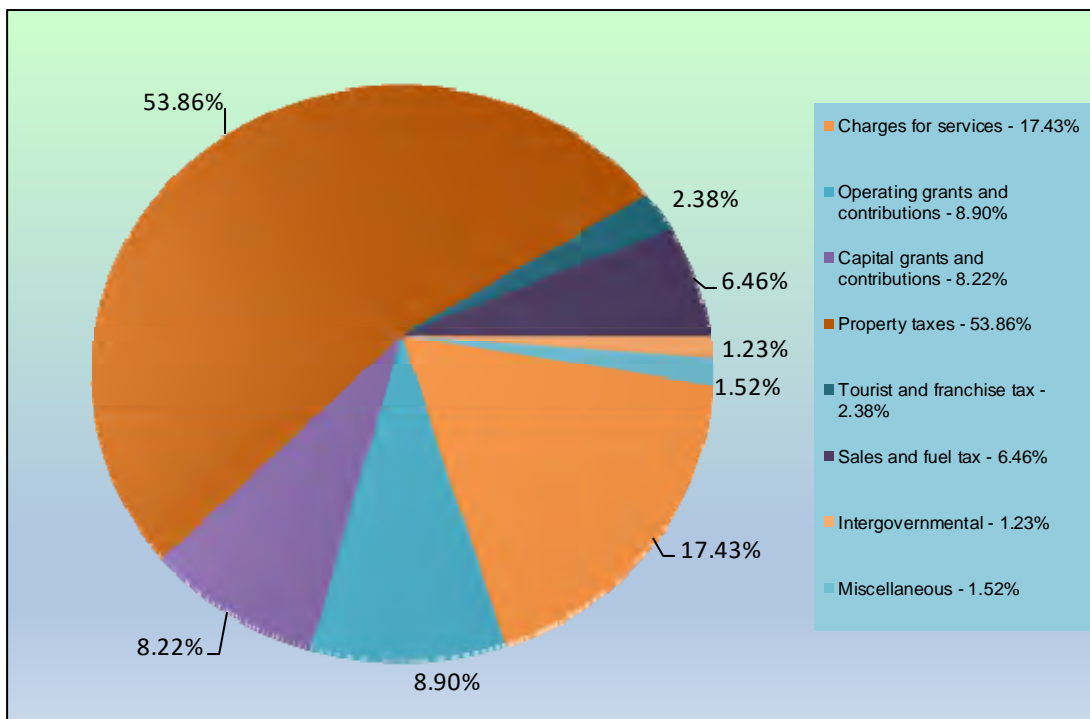
Expenses and Program Revenues - Governmental Activities

FLAGLER COUNTY, FLORIDA CHANGES IN NET POSITION (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Revenues						
Program revenues						
Charges for Services	\$ 18,479	\$ 23,138	\$ 6,838	\$ 7,183	\$ 25,317	\$ 30,321
Operating grants and contributions	17,498	11,810	525	1,512	18,023	13,322
Capital grants and contributions	9,397	10,909	3,061	121	12,458	11,030
General revenues						
Property taxes	65,556	71,491	-	-	65,556	71,491
Other taxes	11,567	11,734	781	535	12,348	12,269
Intergovernmental	1,519	1,632	-	-	1,519	1,632
Miscellaneous	1,213	2,020	169	362	1,382	2,382
Total revenues	125,229	132,734	11,374	9,713	136,603	142,447
Expenses						
General government	24,793	28,010	-	-	24,793	28,010
Public safety	49,524	56,945	-	-	49,524	56,945
Physical environment	13,839	5,776	-	-	13,839	5,776
Transportation	9,560	10,882	-	-	9,560	10,882
Economic environment	2,446	2,789	-	-	2,446	2,789
Human services	4,075	4,624	-	-	4,075	4,624
Culture/recreation	4,512	5,166	-	-	4,512	5,166
Court related	4,333	4,783	-	-	4,333	4,783
Interest long-term debt	3,379	3,509	-	-	3,379	3,509
Airport	-	-	2,771	3,243	2,771	3,243
Utilities	-	-	2,557	2,798	2,557	2,798
Landfill	-	-	283	281	283	281
Waste management	-	-	1,572	1,709	1,572	1,709
Total expenses	116,461	122,484	7,183	8,031	123,644	130,515
Change in net position before transfers	8,768	10,250	4,191	1,682	12,959	11,932
Transfers	(7)	(8)	7	8	-	-
Change in net position	8,761	10,242	4,198	1,690	12,959	11,932
Net position, beginning, as previously reported	234,113	240,342	35,501	39,597	269,614	279,939
Restatement	(2,532)	1,797	(102)	-	(2,634)	1,797
Net position, beginning, as restated	231,581	242,139	35,399	39,597	266,980	281,736
Net position, ending	\$240,342	\$252,381	\$ 39,597	\$ 41,287	\$279,939	\$293,668

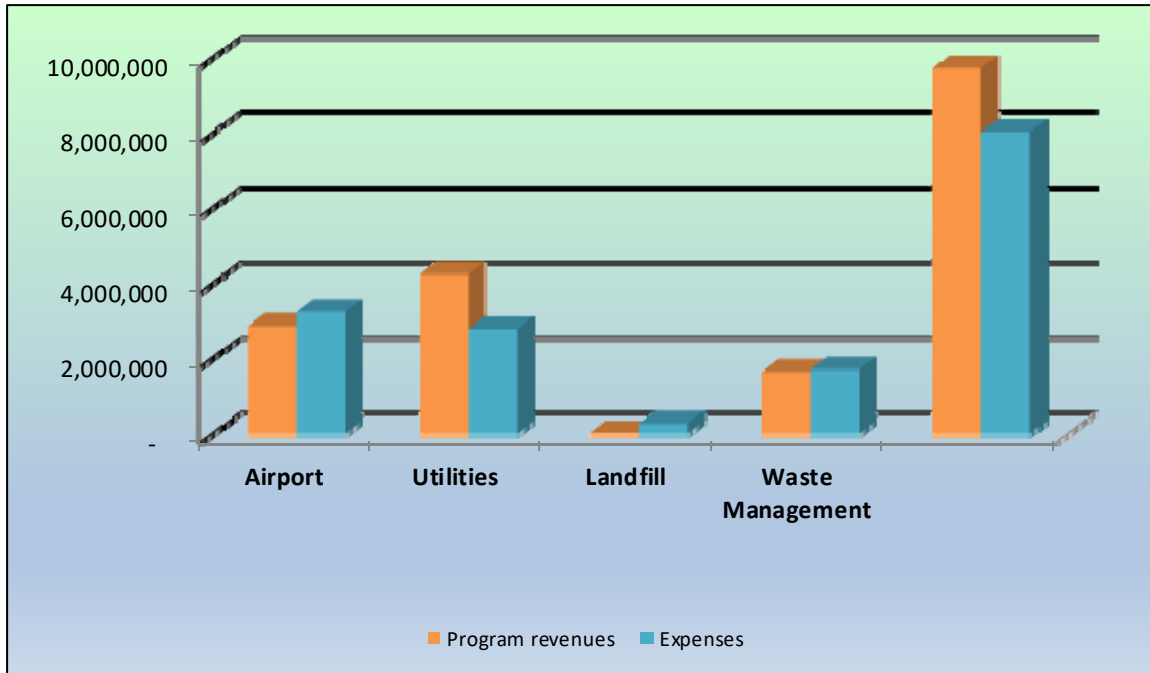
Expenses and Program Revenues – Governmental Activities



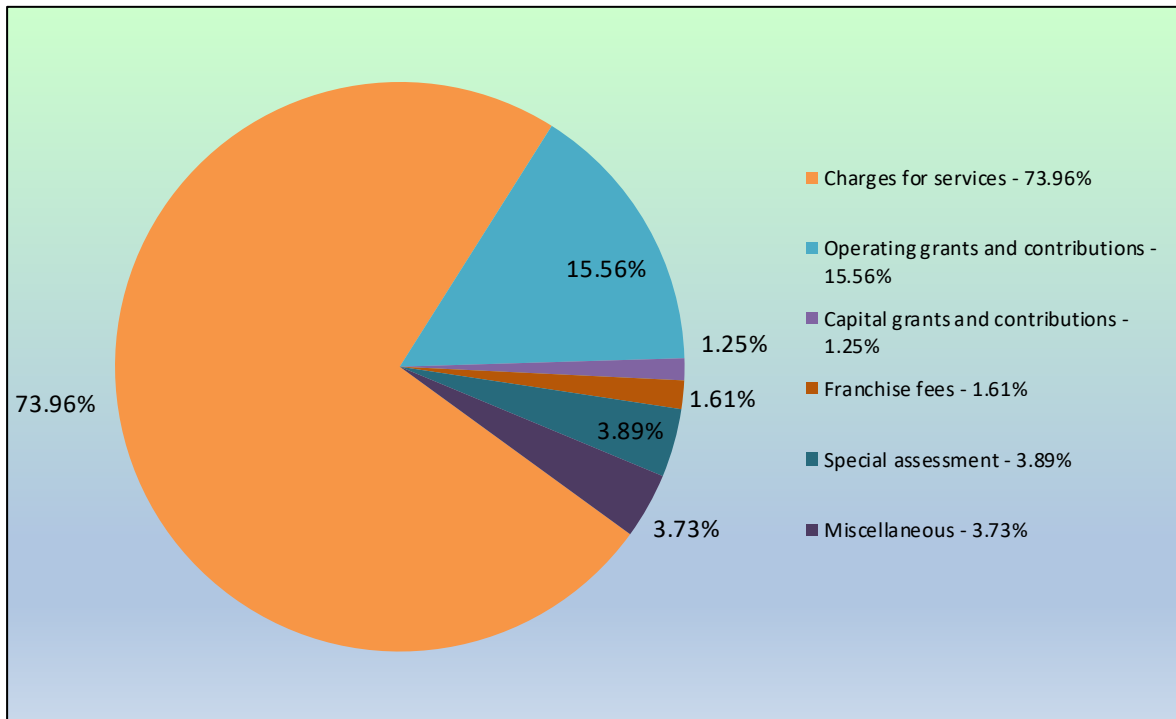
Revenues by Source - Governmental Activities



Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Governmental activities

Governmental activities increased the County's net position by \$12,038,849, net of restatement.

The above expenses and program revenues graph, depict three major programs for the county are public safety, general government and transportation. Public safety and general government are primarily funded by ad valorem taxes. Transportation is operating grants and ad valorem taxes.

The above revenues by source graph, shows that the four major revenue sources are property taxes, charges for services, operating grants & contributions and capital grants & contributions.

Business-type activities

Business-type activities increased the County's net position in the amount of \$1,690,038.

The above expenses and program revenues graph, shows that the two major business-type programs are the airport and utilities. The utilities activity sufficiently generates revenue to support its program.

The above revenues by source graph, shows that the two major revenue sources are charges for services and operating grants & contributions.

Financial Analysis of the County's Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At September 30, 2019, the County's governmental funds reported combined ending fund balances of \$63,507,752, a decrease of \$6,907,552. Assigned and unassigned fund balance of \$12,410,287 in the general fund is available for spending at the County's discretion; \$43,121,178 of fund balances of other governmental funds are restricted for spending within the limitations of the funds' revenue source. The amount reported as restricted for debt service was \$5,194,237.

The General Fund is the operating fund of the County. At September 30, 2019, assigned and unassigned fund balance of this fund was \$12,410,287 while the total fund balance amounted to \$21,572,904. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total fund expenditures. The general fund reported \$1,822,557 of assigned fund balance, which represents FY20 adopted budget for FY19 operating expenditures carried forward.

The fund balance of the County's general fund decreased by \$5,751,053 during the fiscal year ended September 30, 2019. The decrease is due to the net effect of an increase in capital outlay expenditures for the Public Safety Communications Network System of \$8.6 million, increase in public safety expenditures of \$2.7 million and an increase in property tax revenues for \$5.6 million.

The special revenue funds have a total fund balance of \$29,586,158. The County's two special revenue funds reported as major funds are Constitutional Gas Tax and Tourist Development Tax – Beach Restoration. Constitutional Gas Tax reported a fund balance decrease of \$259,234 as a result of capital expenditures. Tourist Development Tax – Beach Restoration reported a fund

balance decrease of \$2,550,229 primarily as a result of expenditures for the Dune Restoration Projects and debt obligation payment.

Proprietary funds

The County's proprietary funds provide that same type of information found in the business-activities of the government-wide financial statements, while furnishing more detail.

Proprietary funds reported unrestricted net position of \$9,945,002 at September 30, 2019.

General Fund Budget Variances

Differences from original budget, final budget and actual amounts were due, primarily from appropriation of grants during the fiscal year and rollover of projects and funding not spent in the prior fiscal year.

Capital Asset and Debt Administration

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2019 amounts to \$390,906,997 (net of accumulated depreciation). This investment in capital assets includes land, fine art collections, buildings, improvements other than buildings, vehicles, equipment, infrastructure and construction in progress. The total net increase in the County's investment in capital assets for the fiscal year ended September 30, 2019 was \$23,221,317 (\$20,360,262 net increase for governmental activities and a net increase of \$2,861,055 for business-type activities).

Additional information on the county's capital assets can be found in Notes 5 and 6 on pages 41 – 42 of this report.

Long-term debt

On August 7, 2017, the County issued a \$5,729,600 Clean Water, State Revolving Fund for the construction of a wastewater treatment plant. Interest is paid at a rate of 3.55%, and maturing on November 15, 2038. The following withdrawals have been made in FY18/19:

- On December 5, 2018, \$872,426
- On February 22, 2019, \$741,512
- On August 9, 2019, \$1,600,845

On April 3, 2019, the Sheriff's Office executed a Tax-Exempt Lease/Purchase Agreement to purchase police vehicles and other ancillary equipment. The annual interest rate is 2.99%. The loan amount is \$1,200,000 and the maturity date is four years from date of closing.

On April 25, 2019, the County issued a \$1,000,000 Pooled Commercial Loan Program from the Florida Local Government Finance Commission, to finance improvements to the County's existing Enterprise Resource Planning (ERP) software and the purchase of various Fire Rescue equipment. This loan will be amortized over a period of 5 years. Principal payments will be \$200,000 per year. Interest is a blended market rate based on the actual rates of sale for the Florida Local Government Financial Commission Commercial Paper.

On May 31, 2019, the County issued a \$3,781,000 Utility System Revenue Note, Series 2019, to finance the installation of an expandable Reverse Osmosis water treatment plant at Plantation Bay. Bearing interest at a fixed rate of 2.99%, and maturing on October 1, 2033.

Additional information on the County's debt can be found in Note 7 on pages 43 - 51 of this report.

Economic Factors and Next year's Budgets and Rates

Flagler County has historically relied on property taxes and intergovernmental resources to fund its operations. The County has utilized grants, road and park impact fees to help fund the infrastructure needs of its population.

During fiscal year 2007, the Florida Legislature imposed restrictions on the ability of municipalities and counties to increase millage rates. In January 2008, the voters of Florida passed Amendment 1, which further limits property tax collections. In addition to the impact of Amendment 1, the value of properties in Flagler County decreased significantly during the economic downturn. The County continues to have slight increases in property values in the current fiscal year.

The Board of County Commissioners approved a General Fund millage rate of 8.2547 mills and General Obligation debt service millage rate of 0.3300 mills for the fiscal year 2020.

Flagler County could also be subject to decrease in other revenues that are dependent on economic activity, therefore the County continues to operate on a conservative budget.

Requests for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning the information provided in this report or need additional financial information, contact Tom Bexley, Clerk of Circuit Court & Comptroller, 1769 E. Moody Blvd. Building #1, Bunnell, FL 32110.

FLAGLER COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,576,096	\$ 536,448	\$ 9,112,544
Cash with fiscal agent	3,479,899	-	3,479,899
Investments	57,096,486	13,885,153	70,981,639
Internal balances	1,722,428	(1,722,428)	-
Due from other governmental agencies	9,769,667	773,685	10,543,352
Accounts receivable, net	4,360,725	577,895	4,938,620
Note receivable	4,733,712	-	4,733,712
Inventory	455,318	37,656	492,974
Other assets	222,062	102	222,164
Capital assets			
Land and work in process	121,352,118	5,361,558	126,713,676
Capital assets being depreciated, net	219,464,637	44,728,684	264,193,321
Total capital assets, net of depreciation	340,816,755	50,090,242	390,906,997
TOTAL ASSETS	431,233,148	64,178,753	495,411,901
DEFERRED OUTFLOWS OF RESOURCES			
Derivative instruments - interest rate swaps	23,470	25,234	48,704
Bond refunding	1,762,916	-	1,762,916
Pension related	28,909,476	360,175	29,269,651
OPEB related	511,509	11,238	522,747
Total deferred outflows	31,207,371	396,647	31,604,018
LIABILITIES			
Accounts payable and accrued expenses	8,798,823	981,132	9,779,955
Due to other governmental agencies	2,099,315	37,646	2,136,961
Deposits	1,245,273	307,068	1,552,341
Unearned revenue	1,269,622	561,074	1,830,696
Long-term liabilities:			
Due within one year:			
Notes and bonds payable	5,994,301	1,008,980	7,003,281
Compensated absences	3,448,190	148,689	3,596,879
Net pension liability	217,866	8,334	226,200
Capital leases	571,115	-	571,115
Due in more than one year:			
Notes and bonds payable	82,500,845	19,118,325	101,619,170
Capital leases	14,417,261	-	14,417,261
OPEB liability	4,854,471	106,665	4,961,136
Net pension liability	78,314,176	944,653	79,258,829
Derivative liabilities	23,470	25,234	48,704
TOTAL LIABILITIES	203,754,728	23,247,800	227,002,528
DEFERRED INFLOWS OF RESOURCES			
Pension related	5,679,087	27,034	5,706,121
OPEB related	625,444	13,742	639,186
Total deferred inflows	6,304,531	40,776	6,345,307
NET POSITION			
Net investment in capital assets	243,581,432	29,962,937	273,544,369
Restricted for:			
Debt service	6,929,446	153,127	7,082,573
Capital projects	17,703,651	1,225,758	18,929,409
Federal and state law	13,707,649	-	13,707,649
Federal and state grants	6,416,051	-	6,416,051
Other purposes	1,855,385	-	1,855,385
Unrestricted	(37,812,354)	9,945,002	(27,867,352)
TOTAL NET POSITION	<u>\$ 252,381,260</u>	<u>\$ 41,286,824</u>	<u>\$ 293,668,084</u>

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

**FLAGLER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

					Net (Expenses) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Program Revenues			Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT							
Governmental activities							
General government	\$ 28,009,651	\$ 4,379,816	\$ 622,876	\$ -	\$ (23,006,959)	\$ -	\$ (23,006,959)
Public safety	56,944,601	10,175,043	3,501,096	142,109	(43,126,353)	-	(43,126,353)
Physical environment	5,775,948	4,550,712	4,699,619	904,109	4,378,492	-	4,378,492
Transportation	10,882,520	929,435	1,674,848	7,990,209	(288,028)	-	(288,028)
Economic environment	2,788,885	-	373,587	-	(2,415,298)	-	(2,415,298)
Human services	4,624,022	179,428	754,650	134,788	(3,555,156)	-	(3,555,156)
Culture and recreation	5,165,669	354,811	180,202	1,737,594	(2,893,062)	-	(2,893,062)
Court related	4,783,078	2,569,018	3,225	-	(2,210,835)	-	(2,210,835)
Interest on long term debt	3,509,764	-	-	-	(3,509,764)	-	(3,509,764)
Total governmental activities	122,484,138	23,138,263	11,810,103	10,908,809	(76,626,963)	-	(76,626,963)
Business-type activities							
Airport	3,243,218	2,318,943	467,195	89,400	-	(367,680)	(367,680)
Utilities	2,797,503	3,209,280	1,003,405	31,680	-	1,446,862	1,446,862
Landfill	280,961	1,214	40,940	-	-	(238,807)	(238,807)
Waste management	1,709,442	1,654,044	-	-	-	(55,398)	(55,398)
Total business-type activities	8,031,124	7,183,481	1,511,540	121,080	-	784,977	784,977
TOTAL PRIMARY GOVERNMENT	\$ 130,515,262	\$ 30,321,744	\$ 13,321,643	\$ 11,029,889	\$ (76,626,963)	\$ 784,977	\$ (75,841,986)
GENERAL REVENUES							
Property taxes					71,490,768	-	71,490,768
Tourist and franchise taxes					3,153,092	156,709	3,309,801
Impact fees					-	377,885	377,885
Sales and fuel taxes					8,581,064	-	8,581,064
Intergovernmental					1,632,138	-	1,632,138
Interest Revenue					1,908,912	294,605	2,203,517
Miscellaneous					111,028	67,517	178,545
TRANSFERS					(8,345)	8,345	-
Total general revenues and transfers					86,868,657	905,061	87,773,718
Change in net position					10,241,694	1,690,038	11,931,732
NET POSITION, BEGINNING OF YEAR					240,342,411	39,596,786	279,939,197
Restatement, prior period adjustment, note 5					1,797,155	-	1,797,155
NET POSITION, BEGINNING OF YEAR, AS RESTATED					242,139,566	39,596,786	281,736,352
NET POSITION, END OF YEAR					\$ 252,381,260	\$ 41,286,824	\$ 293,668,084

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

FLAGLER COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	General Fund	Constitutional Gas Tax	Tourist Development Tax- Beach Restoration	Capital Projects	NonMajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 5,406,783	\$ 183,695	\$ 10,431	\$ 238,117	\$ 2,722,768	\$ 8,561,794
Cash with fiscal agent	3,455,736	-	-	-	24,163	3,479,899
Investments	19,668,115	3,279,626	1,642,229	2,691,608	26,377,038	53,658,616
Accounts receivable (net of allowance for uncollectibles)	2,099,032	3,886	132,737	903,416	67,564	3,206,635
Notes receivable	4,733,712	-	-	-	-	4,733,712
Due from other funds	141,334	63,900	395,936	-	384,363	985,533
Advances to other funds	1,700,000	-	-	-	-	1,700,000
Due from other governments	1,772,574	2,823,730	3,871,965	258,197	1,041,646	9,768,112
Inventory	455,318	-	-	-	-	455,318
Prepaid expenditures	156,241	-	-	-	52,543	208,784
Other assets	10,303	-	-	-	2,975	13,278
Total assets	<u>\$ 39,599,148</u>	<u>\$ 6,354,837</u>	<u>\$ 6,053,298</u>	<u>\$ 4,091,338</u>	<u>\$ 30,673,060</u>	<u>\$ 86,771,681</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 3,108,952	\$ 1,459,768	\$ 116,384	\$ 10,616	\$ 1,363,937	\$ 6,059,657
Deposits	1,193,539	-	-	-	48,869	1,242,408
Due to other funds	337,025	-	62,211	123,379	440,701	963,316
Due to other governments	1,678,157	-	-	3,963	417,195	2,099,315
Unearned grant revenues	10,074	145,531	-	-	1,045,131	1,200,736
Total liabilities	<u>6,327,747</u>	<u>1,605,299</u>	<u>178,595</u>	<u>137,958</u>	<u>3,315,833</u>	<u>11,565,432</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable resources related to ambulance fees	6,964,785	-	-	-	-	6,964,785
Unavailable resources related to special assessments	4,550,712	-	-	-	-	4,550,712
Unavailable resources - other receivables	183,000	-	-	-	-	183,000
Total deferred inflows	<u>11,698,497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,698,497</u>
FUND BALANCES						
Nonspendable						
Inventories	455,318	-	-	-	-	455,318
Parks and recreation	-	-	-	-	540,000	540,000
Prepays	156,241	-	-	-	52,543	208,784
Advances to other funds	1,700,000	-	-	-	-	1,700,000
Restricted for						
Bond covenants or debt service	-	-	-	-	5,194,237	5,194,237
Grant programs and projects	28,190	-	5,874,703	-	513,158	6,416,051
Federal and state law	302,279	4,749,538	-	-	11,324,190	16,376,007
Capital projects and acquisitions	6,055,425	-	-	3,953,380	1,673,512	11,682,317
ESL acquisitions	-	-	-	-	2,806,970	2,806,970
Impact fees	-	-	-	-	4,144,252	4,144,252
Other purposes	465,164	-	-	-	1,108,365	1,573,529
Assigned for FY 2020 expenditures	1,822,557	-	-	-	-	1,822,557
Unassigned	10,587,730	-	-	-	-	10,587,730
Total fund balances	<u>21,572,904</u>	<u>4,749,538</u>	<u>5,874,703</u>	<u>3,953,380</u>	<u>27,357,227</u>	<u>63,507,752</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 39,599,148</u>	<u>\$ 6,354,837</u>	<u>\$ 6,053,298</u>	<u>\$ 4,091,338</u>	<u>\$ 30,673,060</u>	<u>\$ 86,771,681</u>

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

FLAGLER COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

Total fund balances- governmental funds		\$ 63,507,752
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 funds. The amount included in the statement of net position is the difference between:		
Capital assets, at cost	490,702,745	
Accumulated depreciation	<u>(149,922,845)</u>	
		340,779,900
Long term liabilities are not due and payable from current resources and therefore are not reported in the funds:		
Bonds payable	(83,108,579)	
Compensated absences	(3,443,707)	
OPEB liability	(4,849,510)	
Net pension liability	(78,497,776)	
Capital leases payable	<u>(14,988,376)</u>	
		(184,887,948)
Certain assets and liabilities reported in governmental activities do not provide or use current financial resources and therefore are not reported in the funds:		
Unamortized bond premium		(5,386,567)
Accrued interest payable		(1,346,734)
Unavailable resources are reported as deferred outflows and inflows in the governmental funds, but not in the governmental activities:		
Deferred outflows - bond refunding		1,762,916
Deferred inflows - long-term receivables		11,698,497
Deferred outflows and inflows related to pension and OPEB liability that are not due and payable in the current period are not reported in governmental funds		
Deferred outflows - OPEB related		510,986
Deferred inflows - OPEB related		(624,805)
Deferred outflows - pension related		28,896,860
Deferred inflows - pension related		(5,675,814)
Internal service funds are reported as proprietary activities on the fund level statements, but as governmental activities on the county-wide statements. This amount represents unrestricted net position of the internal service funds.		
		3,146,217
Net position of governmental activities		<u><u>\$ 252,381,260</u></u>

The accompanying notes are an integral part of this statement

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

	General Fund	Constitutional Gas Tax	Tourist Development Tax- Beach Restoration	Capital Projects	NonMajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 67,442,102	\$ -	\$ 714,922	\$ 2,892,130	\$ 7,298,081	\$ 78,347,235
Special assessments/Impact fees	-	-	-	-	1,362,857	1,362,857
Licenses and permits	69,015	-	-	-	1,021,047	1,090,062
Intergovernmental	6,114,728	9,050,824	3,428,231	284,498	7,967,568	26,845,849
Charges for services	11,845,823	5,471	-	-	2,724,504	14,575,798
Fines and forfeitures	111,673	-	-	-	884,387	996,060
Miscellaneous revenue	858,350	-	-	900,124	87,228	1,845,702
Investment income	830,621	92,212	43,426	75,592	770,264	1,812,115
Total revenues	87,272,312	9,148,507	4,186,579	4,152,344	22,115,936	126,875,678
EXPENDITURES						
Current						
General government	22,733,866	-	-	793	63,381	22,798,040
Public safety	45,896,803	-	-	168	1,435,795	47,332,766
Physical environment	253,195	-	5,399,257	-	359,313	6,011,765
Transportation	1,998,581	17,551	-	-	3,172,757	5,188,889
Economic environment	618,852	-	-	-	2,038,766	2,657,618
Human services	4,215,322	-	-	1,246	45,682	4,262,250
Culture and recreation	3,424,484	-	-	30,091	19,998	3,474,573
Court related	1,060,092	-	-	-	2,957,388	4,017,480
Capital Outlay	13,597,269	9,390,190	-	3,625,877	3,072,227	29,685,563
Debt service						
Principal retirement	1,484,786	-	1,200,000	-	4,060,911	6,745,697
Interest and fiscal charges	688,545	-	141,870	-	2,963,797	3,794,212
Other debt service costs	-	-	-	-	6,032	6,032
Total expenditures	95,971,795	9,407,741	6,741,127	3,658,175	20,196,047	135,974,885
Excess (deficiency) of revenues over expenditures	(8,699,483)	(259,234)	(2,554,548)	494,169	1,919,889	(9,099,207)
OTHER FINANCING SOURCES (USES)						
Transfers in	1,799,629	-	4,319	-	594,064	2,398,012
Transfers out	(1,051,199)	-	-	(1,000,000)	(355,158)	(2,406,357)
Long term debt issued	2,200,000	-	-	-	-	2,200,000
Total other financing sources (uses)	2,948,430	-	4,319	(1,000,000)	238,906	2,191,655
Net changes in fund balance	(5,751,053)	(259,234)	(2,550,229)	(505,831)	2,158,795	(6,907,552)
Fund balances-beginning	27,323,957	5,008,772	8,424,932	4,459,211	25,198,432	70,415,304
Fund balances-ending	\$ 21,572,904	\$ 4,749,538	\$ 5,874,703	\$ 3,953,380	\$ 27,357,227	\$ 63,507,752

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

FLAGLER COUNTY, FLORIDA
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

Net change in fund balances- total governmental funds \$ (6,907,552)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Contributions of capital assets increase assets but do not appear in the fund statements because they are not financial resources.

Capital assets acquired with financial resources	30,051,527	
Current year depreciation	(11,617,880)	
Contributions of capital assets	<u>134,788</u>	
		18,568,435

Governmental funds report certain bond transactions immediately. However in the statement of activities these transactions are amortized over the life of the debt:

Amortized bond refunding	(151,257)	
Amortized bond premium	<u>332,146</u>	
		180,889

Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Issuing debt provides current financial resources to governmental funds but increases liabilities in the statement of net position.

Principal repayment	6,745,697	
Debt issued	<u>(2,200,000)</u>	
		4,545,697

Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds.

Deferred inflows - long-term receivables	5,626,913
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Pension expense in the statement of activities has been amortized for related deferred inflows and outflows

Deferred outflows - OPEB related	407,914
Deferred inflows - OPEB related	(466,865)
Deferred outflows - pension related	(643,707)
Deferred inflows - pension related	1,601,963

Some expenses reported in the statement of activities did not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Those include:

Accrued compensated absences	(352,394)	
OPEB liability	(129,432)	
Net pension liability	(11,856,934)	
Accrued interest payable	<u>109,591</u>	
		(12,229,169)

Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) is reported with governmental activities:

Other operating income	96,797	
Gain from operations	<u>(539,621)</u>	
		(442,824)

Change in net position of governmental activities	<u><u>\$ 10,241,694</u></u>
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The accompanying notes are an integral part of this statement

FLAGLER COUNTY, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Airport Fund	Utility	NonMajor Enterprise Funds	Total	
ASSETS					
Current assets					
Cash and equivalents	\$ 154,638	\$ 174,226	\$ 207,584	\$ 536,448	\$ 14,302
Investments	1,109,726	9,235,587	3,539,840	13,885,153	3,437,870
Accounts receivable, net	76,737	489,051	12,107	577,895	1,154,090
Due from other funds	2,453	984	33,752	37,189	211
Due from other governments	192,950	580,735	-	773,685	1,555
Inventory	37,656	-	-	37,656	-
Other current assets	51	51	-	102	-
Total current assets	1,574,211	10,480,634	3,793,283	15,848,128	4,608,028
Noncurrent assets					
Land and construction in progress	2,964,200	2,090,362	306,996	5,361,558	-
Other capital assets, net of accumulated depreciation	30,751,070	13,955,480	22,134	44,728,684	36,855
Total noncurrent assets	33,715,270	16,045,842	329,130	50,090,242	36,855
Total assets	35,289,481	26,526,476	4,122,413	65,938,370	4,644,883
DEFERRED OUTFLOWS OF RESOURCES					
Derivative instruments-Interest rate swaps	25,234	-	-	25,234	-
Pension related	178,399	117,768	64,008	360,175	12,616
OPEB related	5,018	4,443	1,777	11,238	523
Total deferred outflows	208,651	122,211	65,785	396,647	13,139
LIABILITIES					
Current liabilities					
Accounts payable and accrued expenses	177,886	662,536	140,710	981,132	1,392,432
Due to other governmental agencies	16,537	21,074	35	37,646	-
Deposits	55,478	251,590	-	307,068	2,865
Unearned revenue	-	561,074	-	561,074	68,886
Due to other funds	30,813	14,659	14,145	59,617	-
Compensated absences	88,124	46,491	14,074	148,689	4,483
Net pension liability	3,702	3,556	1,076	8,334	239
Current portion of long term debt	422,354	586,626	-	1,008,980	-
Total current liabilities	794,894	2,147,606	170,040	3,112,540	1,468,905
Noncurrent liabilities					
Bonds payable	-	2,978,000	-	2,978,000	-
Notes payable	4,233,324	11,907,001	-	16,140,325	-
Advances from other funds	-	1,700,000	-	1,700,000	-
OPEB liability	47,627	42,170	16,868	106,665	4,961
Net pension liability	472,346	301,663	170,644	944,653	34,027
Derivative liabilities	25,234	-	-	25,234	-
Total noncurrent liabilities	4,778,531	16,928,834	187,512	21,894,877	38,988
Total liabilities	5,573,425	19,076,440	357,552	25,007,417	1,507,893
DEFERRED INFLOWS OF RESOURCES					
Pension related	-	11,654	15,380	27,034	3,273
OPEB related	6,136	5,433	2,173	13,742	639
Total deferred inflows	6,136	17,087	17,553	40,776	3,912
NET POSITION					
Net investment in capital assets	29,059,592	574,215	329,130	29,962,937	36,855
Restricted for					
Future capital outlay	-	-	1,225,758	1,225,758	-
Debt service	-	153,127	-	153,127	-
Unrestricted	858,979	6,827,818	2,258,205	9,945,002	3,109,362
Total net position	\$ 29,918,571	\$ 7,555,160	\$ 3,813,093	\$ 41,286,824	\$ 3,146,217

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

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Airport Fund	Utility	NonMajor Enterprise Funds	Total	
OPERATING REVENUES					
Charges for services	\$ 2,318,943	\$ 3,209,280	\$ 1,655,258	\$ 7,183,481	\$ -
Employee and employer contributions	-	-	-	-	9,694,781
Miscellaneous	65,422	2,095	-	67,517	257,730
Total operating revenues	2,384,365	3,211,375	1,655,258	7,250,998	9,952,511
OPERATING EXPENSES					
Personal services	544,020	762,486	242,789	1,549,295	52,802
Vehicle fuel	8,131	20,727	1,002	29,860	-
Aviation fuel	645,955	-	-	645,955	-
Contractual services	48,201	114,787	1,666,579	1,829,567	-
Repairs and maintenance	272,698	163,423	13,992	450,113	94
Professional services	5,096	6,712	42,275	54,083	554,496
Employee claims	-	-	-	-	8,963,778
Utilities	95,610	292,792	3,401	391,803	-
Insurance	69,261	22,697	1,351	93,309	903,254
Rentals and leases	15,933	6,735	663	23,331	-
Depreciation	1,322,133	880,133	13,200	2,215,466	5,328
Miscellaneous	43,954	170,297	5,151	219,402	12,380
Total operating expenses	3,070,992	2,440,789	1,990,403	7,502,184	10,492,132
Operating income (loss)	(686,627)	770,586	(335,145)	(251,186)	(539,621)
Nonoperating revenues (expenses)					
Intergovernmental	467,195	1,003,405	40,940	1,511,540	-
Franchise fees	-	-	156,709	156,709	-
Special assessments/Impact fees	-	377,885	-	377,885	-
Interest income	24,954	187,045	82,606	294,605	96,797
Other debt service costs	-	(30,420)	-	(30,420)	-
Interest expense	(172,226)	(326,294)	-	(498,520)	-
Total nonoperating revenues (expenses)	319,923	1,211,621	280,255	1,811,799	96,797
INCOME(LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(366,704)	1,982,207	(54,890)	1,560,613	(442,824)
Capital grants	89,400	-	-	89,400	-
Capital contribution	-	31,680	-	31,680	-
Transfers in	-	-	8,345	8,345	-
Change in net position	(277,304)	2,013,887	(46,545)	1,690,038	(442,824)
Net position-beginning	30,195,875	5,541,273	3,859,638	39,596,786	3,589,041
Net position-ending	<u>\$ 29,918,571</u>	<u>\$ 7,555,160</u>	<u>\$ 3,813,093</u>	<u>\$ 41,286,824</u>	<u>\$ 3,146,217</u>

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

FLAGLER COUNTY, FLORIDA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Major Enterprise Funds		Nonmajor Enterprise Funds	Total	Internal Service
	Airport	Utility			
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 2,304,722	\$ 3,166,678	\$ 1,649,114	\$ 7,120,514	\$ 8,862,898
Payments to suppliers	(1,250,504)	(939,457)	(1,725,835)	(3,915,796)	(10,052,989)
Payments to employees	(461,700)	(709,595)	(227,917)	(1,399,212)	(46,240)
(Increase) decrease in due from other funds	13,371	19,021	(26,453)	5,939	(1,521)
Increase (decrease) in due to other funds	(16,639)	8,720	574	(7,345)	-
Increase (decrease) in advances from other funds	-	(180,000)	-	(180,000)	-
Other receipts	65,422	2,095	-	67,517	-
Net cash provided (used) by operating activities	654,672	1,367,462	(330,517)	1,691,617	(1,237,852)
NON-CAPITAL FINANCING ACTIVITIES					
Franchise fees	-	-	156,709	156,709	-
Special assessments/impact fees	-	377,885	-	377,885	-
Nonoperating federal/state grants	814	-	104,640	105,454	-
Transfers in	-	-	8,345	8,345	-
Net cash provided by non-capital financing activities	814	377,885	269,694	648,393	-
CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(454,389)	(4,590,452)	-	(5,044,841)	-
Proceeds of long term debt	-	7,004,261	-	7,004,261	-
Payments on long term debt	(404,990)	(215,586)	-	(620,576)	-
Capital grants	415,503	557,502	-	973,005	-
Interest paid	(172,226)	(356,715)	-	(528,941)	-
Net cash provided (used) by capital and related financing activities	(616,102)	2,399,010	-	1,782,908	-
INVESTING ACTIVITIES					
Investment purchases	(850,264)	(6,613,305)	(976,132)	(8,439,701)	(1,990,596)
Proceeds from sale of investments	300,000	1,575,000	800,000	2,675,000	2,740,000
Interest on investments	22,207	162,948	79,895	265,050	94,882
Net cash provided (used) by investing activities	(528,057)	(4,875,357)	(96,237)	(5,499,651)	844,286
Net increase (decrease) in cash and equivalents	(488,673)	(731,000)	(157,060)	(1,376,733)	(393,566)
CASH AND EQUIVALENTS, BEGINNING OF YEAR	643,311	905,226	364,644	1,913,181	407,868
CASH AND EQUIVALENTS, END OF YEAR	\$ 154,638	\$ 174,226	\$ 207,584	\$ 536,448	\$ 14,302

Continued

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

FLAGLER COUNTY, FLORIDA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Page 2

	Major Enterprise Funds		Nonmajor Enterprise Funds		
	Airport	Utility		Total	Internal Service
RECONCILIATION OF OPERATING (LOSS) INCOME TO NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (686,627)	\$ 770,586	\$ (335,145)	\$ (251,186)	\$ (539,621)
Adjustment to reconcile operating income (loss) to net cash used in operations					
Depreciation	1,322,133	880,133	13,200	2,215,466	5,328
Changes in assets and liabilities					
Accounts receivable	(11,976)	(42,252)	(6,146)	(60,374)	(1,089,615)
Inventory	(9,018)	-	-	(9,018)	-
Due from other governments	(2,247)	(349)	-	(2,596)	-
Due from other funds	13,371	19,021	(26,453)	5,939	(1,521)
Accounts payable and accrued expenses	44,866	(120,701)	8,682	(67,153)	381,968
Unearned revenue	-	(31,680)	-	(31,680)	(384)
Due to other governments	(4,821)	(13,467)	(101)	(18,389)	-
Due to other funds	(16,639)	8,720	574	(7,345)	-
Advance from other funds	-	(180,000)	-	(180,000)	-
Deposits	(76,690)	24,560	-	(52,130)	(569)
Compensated absences	11,462	16,341	2,766	30,569	2,089
OPEB liability	3,972	(27,689)	(7,337)	(31,054)	156
Pension liability	66,886	64,239	19,443	150,568	4,317
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	\$ 654,672	\$ 1,367,462	\$ (330,517)	\$ 1,691,617	\$ (1,237,852)
NONCASH INVESTING ACTIVITIES					
Change in fair market value of investments	(2,747)	(24,095)	(2,710)	(29,552)	(1,915)

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

FLAGLER COUNTY, FLORIDA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
SEPTEMBER 30, 2019

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 4,070,476
Accounts receivable	131,358
Due from other governments	86
 Total assets	 <u>\$ 4,201,920</u>
 LIABILITIES	
Due to other governments	112,806
Deposits	4,053,953
Other liabilities	35,161
 Total liabilities	 <u>\$ 4,201,920</u>

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

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies:

Flagler County, Florida (the County) is a political subdivision of the State of Florida created pursuant to Chapter 7 of the Florida Statutes. It is governed by an elected Board of County Commissioners (the Board) which is governed by state statutes and regulations. The Board has only those powers expressly vested in it by State Statute and its governmental powers cannot be delegated. The Board appoints an administrator to administer all policies emanating from its statutory powers and authority.

The accompanying financial statements present the financial position and results of operations of the governmental and business type activities of the Board and the five constitutional officers (collectively the Constitutional Officers) of the County. The Constitutional Officers are: Clerk of Circuit Court and Comptroller (Clerk), Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets which are combined with the Board for financial reporting purposes.

The accounting policies of the County conform to accounting principles generally accepted in the United States (GAAP) as applicable to governments. The following is a summary of significant accounting policies of the County.

Reporting Entity

The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as subsequently amended, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Board is the legislative and governing body of Flagler County, Florida, established under the legal authority of the Constitution of the State of Florida, and consists of five elected officials. The Clerk of the Circuit Court, an elected official, serves as clerk and accountant of the Board pursuant to Florida law.

The County uses the criteria established in GASB No. 14 as subsequently amended, to define the reporting entity and identify component units. Component units are entities for which the County is considered to be financially accountable or entities that would be misleading to exclude.

As required by accounting principles generally accepted in the United States of America, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board.

Additionally, a legally separate, tax-exempt organization should be reported as a component unit of the County if all of the following criteria are met: (a) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government or its constituents, (b) the primary government is entitled to or has the ability to otherwise access a

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

majority of the economic resources received or held by the separate organization, and (c) the economic resources received or held by an individual organization that the primary government is entitled to or has the ability to otherwise access are significant to the primary government.

Based on these criteria, County management examined all organizations which were legally separate in order to determine which organizations, if any, should be included in the County's financial statements. Management determined that there are no organizations that should be included in the County's financial statements as component units.

During the 2018-19 fiscal year, the County did not participate in any joint ventures.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. statement of net position and statement of activities) report information on all of the non-fiduciary activities of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Basis of Presentation, Measurement Focus, and Basis of Accounting

The accompanying financial statements of the County have been prepared in conformity with GAAP as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles for units of local government.

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 proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, other than for interfund services provided and used, the effect of interfund activity has been eliminated from the county-wide financial statements. Fiduciary funds have also been removed from this presentation since the resources are not available for general government funding purposes.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on the balance sheets. The reported fund balance (net current assets) is considered a measure of “available spendable resources.”

The operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. “Measurable” means that the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues to be available if they are collected within 60 days after year end. Grants collected on a reimbursement basis are recognized as revenue when reimbursable expenditures are made and the County considers amounts received within one year as available. Non-exchange transaction revenues are recognized in the period in which the underlying transaction occurred. Expenditures are generally recognized when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Agency funds are accounted for on the accrual basis of accounting. Agency funds are custodial in nature (i.e. assets equal liabilities) and do not measure the results of operations.

The County's policy is to use restricted resources first, then unrestricted resources, when both are available for use to fund an activity.

Fund financial statements report detailed information about the County. The focus of fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

The County reports the following major governmental funds:

General Fund - To account for and report all financial resources which are generated from operations of the Board and Constitutional Officers, not accounted for and reported in another fund.

Constitutional Gas Tax – To account for 80 percent of the State two-cent gas tax used for the construction of roads and bridges.

Tourist Development Tax (Beach Restoration) - To account for and report proceeds for 20% of the 5% local option tourist development tax on transient lodging within the County. Expenditures in this fund are restricted to beach restoration and maintenance activities that help promote the County as a strong visitor destination.

Capital Projects – To account for and report proceeds from the County's ½ Cent Discretionary Sales Tax to be used for the construction, reconstruction, or improvement of public facilities, including but not limited to public safety facilities, roads, bridges and stormwater projects, beach restoration, recreational improvements, and general public infrastructure.

The County reports the following major enterprise funds:

Airport - To account for the operations and activities of the County's airport.

Utilities - To account for the water and wastewater services in Plantation Bay, Beverly Beach, and the Eagle Lakes development.

In addition to the General Fund, the County reports the following fund types:

Special Revenue Funds - The Special Revenue Funds of the County are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Debt Service Funds - The Debt Service Funds of the County are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Capital Projects Funds - The Capital Projects Funds of the County are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Enterprise Fund – The Enterprise Funds of the County are used to account for and report activities for which a fee is charged to external users for goods or services.

Internal Service Fund - The Internal Service Fund of the County accounts for the self-insurance services provided by the department or agency to other departments or agencies of the governmental unit or to other governmental units, on a cost reimbursement basis.

Fiduciary Funds - The Fiduciary Funds of the County are used to account for assets held by the County as an agent for individuals, private organizations, and other governments; such as ad valorem taxes, cash bonds, traffic fines and support payments. The County reports these funds for Clerk of Courts, Sheriff and Tax Collector.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

Capital Assets

All purchased capital assets are recorded at cost where historical records are available and at estimated cost where no historical records exist. Donated capital assets are recorded at acquisition value at the date received. Generally, capital assets costing more than \$1,000 and having a useful life of more than one year are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are reported in the applicable governmental or business-type column in the countywide financial statements, and in the Proprietary Fund Level Statements.

Depreciation on all capital assets is calculated using the straight-line method over the following useful lives:

Infrastructure	20-50 years
Buildings and improvements	5-50 years
Equipment	3-15 years
Vehicles	5-6 years

The County has artwork in various public facilities. The value of the art is inexhaustible; therefore, it is not depreciated.

Long-Term Liabilities

Long-term liabilities expected to be financed from governmental funds are not reported in the governmental funds, but rather are reported on the statement of net position of Flagler County, Florida. Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Budgets and Budgetary Accounting

The County has taken the option of presenting the budgetary comparison schedules in the Required Supplementary Information section.

The following procedures are utilized by the County in establishing and /or amending the budgetary information contained in the required supplementary information:

- (i) On or before June 1 of each year, the Clerk of the Circuit Court and Comptroller, Sheriff, Supervisor of Elections and Tax Collector each submit a proposed operating budget for the ensuing fiscal year to the Board.
- (ii) The proposed operating budget of the Property Appraiser must be presented to the Board on or before June 1 of each year and is simultaneously submitted by the Property Appraiser to the State of Florida, Department of Revenue, from which the final approval of the budget of the Property Appraiser must estimate.
- (iii) On or before July 15 of each year, or within 15 days after the receipt of certified taxable property values from the Property Appraiser, whichever occurs last, the County Administrator presents to the Board a proposed budget for the fiscal year commencing the following October 1. Pursuant to the provisions of Section 129.01, Florida Statutes, the proposed

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

budget as submitted contain balanced statements of estimated revenues (including unexpended fund balances to be carried forward) and proposed appropriations for each fund required to be presented by law or by sound financial practices, including the General, Special Revenues, Debt Service, and Capital Projects funds.

- (iv) Following a preliminary review of the proposed budgets by the Board, whose members make such changes as are considered necessary, the Board causes a notice of proposed property taxes to be mailed to each County property taxpayer. Included in the notice is a statement of the Board's intent to hold a Public hearing to consider adoption of the tentative millage rates and budgets, as well as a comparison of the taxpayer's proposed property tax bill with the actual tax bill of the preceding year.
- (v) Following successful completion of the above referenced Public hearings, the Board advertises and subsequently conducts a second Public hearing to finally adopt a millage rate and budget for each of the taxing entities under their jurisdiction. These Public hearings are ordinarily held prior to October 1 each year. If, however, for some reason the County is unable to finally adopt a budget prior to October 1, state law permits the adoption by resolution of the budget to the preceding year as an interim measure.
- (vi) Pursuant to the provisions of Section 129.07, Florida Statutes, the County is prohibited from expending or contracting for the expenditure of any amount in excess of the total amount budgeted in any fund. It is, however, legally permissible at the present time for the budgets of individual departments included within a particular fund to be over expended in total without requiring mandatory action by either the Board or the County Administrator.
- (vii) Subsequent to final adoption of the budget by the Board, changes to the budget, as enacted, are only required (by either statutory law or current management practices) when revenues not anticipated in the original budget document are received which management wishes to have appropriated during the current year, resulting in an increase to the total appropriations of a fund. Such increases can only be incorporated into the budget document following approval by the Board.
- (viii) Adoption and execution of the budgets are governed in accordance with applicable provisions of the Florida Statutes.
- (ix) Formal budgetary integration at the object level is used as a management control device for all governmental funds of the County for which annual budgets are adopted, including the General, Special Revenue, Debt Service, and Capital Projects funds. The legal level of budgetary control is the department level.
- (x) The General Fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The Municipal Services Fund is reported as part of the General Fund, but is not budgeted as part of the General Fund. Budgets for Special Revenue, Debt Service and Capital Projects funds are all on a GAAP basis.
- (xi) All appropriations lapse at the end of each fiscal year, although the County expects to honor purchase orders and contracts in-process, subject to authority provided in the subsequent year's budget.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agents and short-term investments, including restricted assets, with original maturities of three months or less from acquisition date. Investments are stated at fair value. The County allocates investment earnings of the cash and investment pool to each participating fund on a monthly basis in accordance with the funds average balance in the pool for the month.

Investments

Investments for the County are reported at fair value, in accordance with GASB Statement No. 31, as amended by GASB Statement No. 72. In addition to reporting investments at fair value, the County is reporting investments in accordance with the requirements of GASB 40.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all governmental funds. Encumbrances outstanding at year-end are reported within the respective fund balances. Unexpended items which are encumbered at year end are reappropriated in the subsequent year.

Compensated Absences

The County's personnel policies allow a limited accumulation and vesting of unused employee vacation and sick leave time. The County follows accounting principles generally accepted in the United States of America in accounting for compensated absences. The portion of compensated absences of employees of governmental funds expected to be liquidated with current resources has been accrued. Liabilities that will not be liquidated with current resources are not reported in the governmental funds but rather are reported in the basic financial statements of Flagler County, Florida. Liabilities that will be liquidated with current resources have been reported in the appropriate governmental fund. Compensated absences of employees of proprietary funds are recorded as liabilities in the appropriate proprietary fund.

Inventory

Inventory of the proprietary funds is valued at (first-in, first-out). Inventory of the general fund is valued at cost, using the weighted average method. The cost of inventory of the general fund is recorded as an expenditure when consumed, rather than when purchased. An offsetting nonspendable fund balance is reported to indicate that the asset is not available for appropriation or expenditure.

Prepaid Items

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. Prepaid items in governmental funds are recognized using the consumption method.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

Interfund Activity

Interfund activity within and among the County's three fund categories (governmental, proprietary, and fiduciary) are classified as reciprocal interfund activity and nonreciprocal interfund activity. Reciprocal interfund resource flows between the funds with an expectation of repayment are reported as interfund receivables and payables. Reciprocal interfund resource flows, without an expectation of repayment within a reasonable time, are reported as transfers between funds. Interfund services provided and used are sales and purchases of goods and services between funds for a price approximating their external value and are reported as revenues and expenditures (or expenses) in the funds. Nonreciprocal interfund activity are flows of assets between funds without an equivalent flow of assets in return or without a requirement for repayment are reported as transfers in governmental funds and nonoperating revenues and expenses in proprietary funds.

Unearned Revenue

Unearned revenue is reported when the County receives cash payments prior to satisfying all of the eligibility requirements necessary to recognize these payments as revenue. The revenue will be recognized in the fiscal year it is earned. Unearned revenue is reported as a liability in the fund financial statements. The amounts recorded in unearned revenue include items such as Federal and State grant payments and employee health insurance premium payments received that are related to a future period.

Deposits

Deposit liability is reported when the County receives money from individuals or companies that the County will have to refund in the future. The amounts recorded as deposit liabilities include items such as security deposits, tax deed deposits, subdivision cash maintenance and/or performance bonds, and prepaid utility connection credits.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan and Health Insurance Subsidy program and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents the consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has four items that qualify for reporting in this category, the value of two derivative hedging instruments, deferred bond refunding charges, pension-related, and Other Postemployment Benefits Other Than Pensions (OPEB)-related.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

In addition to liabilities, the statement of financial position and balance sheet – governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only three types of items that qualify for reporting in this category: unavailable revenues, such as ambulance receivables, which are reported only in the governmental funds balance sheet, pension-related, and Other Postemployment Benefits Other Than Pensions (OPEB)-related.

Miscellaneous Revenue

Miscellaneous revenue includes rents, royalties, proceeds from sale of surplus items, contributions and donations, refunds for prior year (non-capital) expenditures and any other revenue that does not fit into one of the other categories.

Landfill Closure Costs

The County recognizes municipal solid waste landfill closure and postclosure care costs under the State of Florida's Solid Waste Management Act of 1988, regulations of the Federal Environmental Protection Agency, and GASB Statement No. 18, *"Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs."* The County is required to place a final cover on closed landfills and to provide long-term care for up to thirty years after final cover. These obligations for closure and postclosure are recognized in the enterprise fund for the County's sanitary landfill operations over the active life of the landfill, based on capacity. See notes 7 and 9 for additional information.

Fund Balance Reported

The County implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* effective October 1, 2010. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are reported in classifications based on whether the amounts are nonspendable or spendable. Spendable amounts are further classified based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent. The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of the other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the County's highest decision-making authority, which is an ordinance. Committed amounts cannot be used for any other purpose unless the County removes those constraints by taking the same type of action.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the board of county commissioners or (b) a body or official to which the board of county commissioners has delegated the authority to assign amounts to be used for specific purposes. At this time, the commission has not delegated the authority.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The fund balance categories of the governmental funds are shown on the face of the Balance Sheet Governmental Funds in the Fund Financial Statements. The County uses restricted amounts first when both restricted and unrestricted fund balances are available, then committed, then assigned and finally unassigned.

Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is displayed as three components:

Net investment in capital assets represents capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. Also included in the calculation are related bond premiums and discounts and the deferred outflows or inflows of resources of refunding of bonds.

Restricted net position consists of net position with constraints placed on their use by external groups such as creditors, grantors, contributors or laws or regulations of other governments.

Unrestricted net position represents the net position available for future operations.

Use of Estimates

The preparation of financial statements, in accordance with GAAP, 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Future Accounting Pronouncements

The Governmental Accounting Standards Board issued Statement # 95, Postponement of Effective Dates of Certain Authoritative Guidance. The Statement is intended to provide relief to governments and other stakeholders in light of the COVID-19 pandemic.

- Statement No. 83 - Certain Asset Retirement Obligations, postponed by one year
- Statement No. 84 – Fiduciary Activities
- Statement No. 87 - Leases, postponed by 18 months
- Statement No. 88 - Certain Disclosures Related to Debt, postponed by one year
- Statement No. 93 – Replacement of Interbank Offered Rates
- Statement No. 97–Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457, Deferred Compensation Plans

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies: (continued)

The County is currently evaluating the effects that these statements will have on its 2020 financial statements.

NOTE 2 - Cash Deposits and Investments:

Deposits:

Any bank balance in excess of FDIC insurance is covered by collateral held by the County's custodian banks which is pledged to a state trust fund that provides security in accordance with the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes

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

As of September 30, 2019, the County had the following cash deposits balances:

	Maturity Date	Carrying Amounts
Cash and cash equivalents	N/A	\$ 9,112,544
Cash and cash equivalents with trustee	N/A	4,070,476
Cash and cash equivalents with fiscal agent	N/A	3,479,899
Total		<u>\$ 16,662,919</u>

Investments:

Flagler County's investment policy is pursuant to Section 218.415, Florida Statutes that updated permitted investments, asset allocation limits, issuer limits, credit ratings requirements, and maturity limits to protect the County's cash and investment assets. The County maintains a common cash and investment pool for the use of all funds.

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy.

The County's investment policy allows for the following investments: The Florida State Board of Administration's Local Government Surplus Funds Trust Fund, United States Government Securities, United States Government Agencies, Federal Instrumentalities, Non-Negotiable Interest Bearing Time Certificates of Deposit and Saving Accounts, Repurchase Agreements, Commercial Paper, Bankers' Acceptances, Corporate Notes, State and/or Local Government Taxable and/or Tax-Exempt Debt, Registered investment companies money market mutual funds and Intergovernmental Investment Pools.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2 - Cash Deposits and Investments: (continued)

As of September 30, 2019, the County had the following investment types and weighted average duration presented in terms of years:

Security Type	Fair Value	Weighted Average Maturity(Years)
Federal Instrumentalities Discount Notes	\$ 27,967,062	0.16
U.S. Treasury Notes	14,966,690	0.20
FL Public Assets for Liquidity Management (FL PALM)	18,073,993	39 days
CenterState Business Money Market	1,529,111	1 day
Wells Fargo Advantage Heritage Money Market Fund	8,444,783	90 days
TOTAL	\$ 70,981,639	0.16

A Money Market Fund's duration is based on weighted average duration in days. Information source for PFM Funds Prime Series money market fund's weighted average duration was September 30, 2019 Fund Fact Sheet. Bloomberg was the source for the Wells Fargo Advantage Heritage Money Market Fund's weighted average duration.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of September 30, 2019:

- Federal Instrumentalities Discount Notes – Valued using quoted market prices.
- U.S. Treasury Notes – Valued using quoted market prices.
- Money Market Funds – Valued using quoted market prices.

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates as identified in Note 7. The following table summarizes the County's assets (and liabilities) for which fair values are determined on a recurring basis:

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2 - Cash Deposits and Investments: (continued)

		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Investments by Fair Value Level:				
Federal Instrumentalities Discount Notes	\$ 27,967,062	\$ -	\$ 27,967,062	\$ -
U.S. Treasury Notes	14,966,690	14,966,690	-	-
CenterState Business Money Market	1,529,111	1,529,111	-	-
WF Advantage Heritage Money Market Fund	8,444,783	8,444,783	-	-
Total Investments by Fair Value Level	\$ 52,907,646	\$ 24,940,584	\$ 27,967,062	\$ -
Investments measured at the Net Asset Value (NAV):				
FL Public Assets for Liquidity Management	18,073,993	-	-	-
Total Investments measured at the NAV	\$ 18,073,993	\$ -	\$ -	\$ -
Total Investments	<u>\$ 70,981,639</u>	<u>\$ 24,940,584</u>	<u>\$ 27,967,062</u>	<u>\$ -</u>
Investment Derivative Instruments:				
Interest Rate Swaps	<u>\$ (48,704)</u>	<u>\$ -</u>	<u>\$ (48,704)</u>	<u>\$ -</u>

The FL Public Assets for Liquidity Management (FL PALM) is reported at amortized cost in accordance with GASB 79.

A. Interest Rate Risk

The County's investment policy sets limits for investment maturities to match known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months. Investments of bond reserves, construction funds, and other non-operating funds, "core funds", shall have a term appropriate to the need for funds and in accordance with debt covenants. The purchase of investments for core funds with maturities longer than five (5) years requires the Clerks approval prior to purchase. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Master Repurchase Agreements. The County utilizes "weighted average duration" as a measurement of interest rate risk and as of September 30, 2019, the investment portfolio had a weighted average duration of .16 years.

The County has no Federal Instrumentalities that have embedded options consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate.

B. Credit Risk

The County's investment policy permits the following investments, which are limited to credit quality ratings from nationally recognized rating agencies as described below.

The Florida Local Government Surplus Funds Trust Fund ("SBA") shall be rated "AAA" by the Standard & Poor's or the equivalent by another rating agency.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2 - Cash Deposits and Investments: (continued)

Commercial paper of any United States company that is rated, at the time of the purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper).

Bankers' acceptances which are issued by a domestic bank which has at the time of purchase, an unsecured, uninsured and unguaranteed obligation rating of at least "Prime-1" by Moody's or "A-1" by Standard & Poor's.

Corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, at a minimum "Aa" by Moody's and a minimum long term debt rating of "AA" by Standard & Poor's.

State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's or "AA" by Standard & Poor's for long-term debt, or rated at least "MIG-2" by Moody's or "SP-2" by Standard & Poor's for short-term debt.

Intergovernmental investment pool shall be rated "AAAm" by Standard & Poor's or the equivalent by another rating agency.

Mutual Fund shares in open-end and no-load funds are registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R. § 270.2a-7. Money market mutual funds are rated "AAAm" by Standard and Poor's or equivalent by another recognized rating agency.

As of September 30, 2019, the County had the following credit exposure as a percentage of total investments:

Security Type	Credit Rating	Portfolio Asset Allocation
Federal Instrumentalities Discount Notes	A-1+	39.40%
U.S. Treasury Notes	AA+	21.09%
FL Public Assets for Liquidity Management (FL PALM)	AAAm	25.46%
CenterState Business Money Market	AAAm	2.15%
Wells Fargo Advantage Heritage Money Market Fund	AAAm	11.90%
TOTAL		100%

Custodial Credit Risk

The County's investment policy, pursuant to Section 218.415, Florida Statutes, requires securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the County should be properly designated as an asset of the County. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida.

As of September 30, 2019, the County's investments were held with a third-party custodian as required by the County's investment policy.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2 - Cash Deposits and Investments: (continued)

C. Concentration of Credit Risk

The County's investment policy has established asset allocation and issuer limits on the following investments, which are designed to reduce concentration of credit risk of the County's investment portfolio.

A maximum of 25% of available funds may be invested in the SBA, 100% of available fund may be invested in United States Government Securities, 50% of available funds may be invested in United States Government agencies with a 25% limit on individual issuers, 75% of available funds may be invested in Federal Instrumentalities with a 25% limit on individual issuers, 50% of available funds may be invested in non-negotiable interest bearing time certificates of deposit or savings accounts with a 25% limit on individual issuers, 50% of available funds may be invested in Repurchase Agreements with a 25% limit on individual issuers, 25% of available funds may be invested in Commercial Paper with a 10% limit on individual issuers, 30% of available funds may be invested in Bankers' Acceptances with a 15% limit on individual issuers, 15% of available funds may be invested in Corporate Notes with a 5% limit on individual issuers, 20% of available funds may be invested in State and/or Local Government Taxable and/or Tax-Exempt Debt with a 10% limit on individual issuers, 50% of available funds may be invested in Money Market Mutual Funds with a 25% limit on individual issuers, a maximum of 25% may be invested in intergovernmental investment pools.

As of September 30, 2019, the County had the following issuer concentration based on fair value:

Security Type	Fair Value	Portfolio Asset Allocation
Federal Instrumentalities Discount Notes	\$ 27,967,062	53.00%
U.S. Treasury Notes	14,966,690	28.00%
CenterState Business Money Market	1,529,111	3.00%
Wells Fargo Advantage Heritage Money Market Fund	8,444,783	16.00%
TOTAL	\$ 52,907,646	100%

NOTE 3 - Property Taxes:

Under Florida law, 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 assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit counties to levy property taxes at a rate of up to 10 mills.

The tax levy of the County is established by the Board prior to October 1 of each year and the Tax Collector incorporates the millages into the total tax levy, which includes the municipalities, independent districts and the County School Board tax requirements.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 3 - Property Taxes: (continued)

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 State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statute.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for every 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, certificates are sold for all delinquent taxes on real property. Delinquent taxes on real property bear interest at 18% per year or as bid in a public sale of tax certificates.

Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the five year statute of limitations.

Key dates in the property tax cycle are as follows:

Assessment roll certified	October 15
Beginning of fiscal year for which taxes have been levied	October 1
Property taxes levied	October 1
Tax bills issued	November 1
Property taxes due by:	
For maximum discount	November 30
Delinquent after	March 31
Tax certificates (liens) sold on unpaid property taxes	May 31

NOTE 4 - Allowance for Doubtful Accounts:

Account receivables are reported net of an allowance for uncollectible accounts of \$9,437,164 in the General Fund and, \$13,777, \$36,614 and \$15,201 in the Enterprise Funds (Airport, Utilities and Waste Management, respectively).

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 5 - Capital Assets - Governmental Activities:

A summary of changes in capital assets follows:

	Balance October 1, 2018, as restated**	Additions	Deletions	Balance September 30, 2019
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 100,592,171	\$ 661,065	\$ -	\$ 101,253,236
Fine art collection	123,700	-	-	123,700
Construction in process	10,105,371	16,041,638	6,171,827	19,975,182
Total capital assets, not being depreciated	110,821,242	16,702,703	6,171,827	121,352,118
Capital assets, being depreciated:				
Buildings	103,987,466	892,769	151,059	104,729,176
Improvements other than buildings	20,842,793	295,945	17,148	21,121,590
Equipment	37,558,942	6,513,574	710,048	43,362,468
Vehicles	22,209,074	3,063,455	364,951	24,907,578
Infrastructure	166,219,874	9,147,990	46,704	175,321,160
Total capital assets being depreciated	350,818,149	19,913,733	1,289,910	369,441,972
Less accumulated depreciation for:				
Buildings	21,347,059	2,071,733	130,017	23,288,775
Improvements other than buildings	17,008,237	1,054,648	17,148	18,045,737
Equipment	29,554,023	3,188,201	707,215	32,035,009
Vehicles	15,325,273	1,350,472	174,590	16,501,155
Infrastructure	56,151,151	3,958,154	2,646	60,106,659
Total accumulated depreciation	139,385,743	11,623,208	1,031,616	149,977,335
Total capital assets being depreciated, net	211,432,406	8,290,525	258,294	219,464,637
	<u>\$ 322,253,648</u>	<u>\$24,993,228</u>	<u>\$ 6,430,121</u>	<u>\$340,816,755</u>

****Note - Restatement:**

Beginning balances of the governmental activities were restated to correct accumulated depreciation and net position as a result of prior years' disposal of Sheriff's capital assets. Capital assets of \$1,797,155 were disposed, but the corresponding accumulated depreciation in the same amount was not disposed. As a result, accumulated depreciation was overstated and net position understated.

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

Governmental activities:	
General government	\$ 2,370,366
Public safety	3,383,554
Physical environment	60,278
Transportation	4,524,465
Economic environment	65,491
Human services	113,531
Culture/recreation	947,880
Court related	157,643
Total depreciation expense - governmental activities	<u>\$ 11,623,208</u>

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 6 - Capital Assets – Business-type Activities:

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 3,863,173	\$ -	\$ -	\$ 3,863,173
Construction in process	1,848,686	865,069	1,215,370	1,498,385
Total capital assets, not being depreciated	5,711,859	865,069	1,215,370	5,361,558
Capital assets, being depreciated:				
Buildings	18,520,636	5,021,309	-	23,541,945
Improvements other than buildings	20,123,924	20,110	-	20,144,034
Equipment	1,696,832	385,402	5,427	2,076,807
Infrastructure	19,707,269	-	-	19,707,269
Total capital assets being depreciated	60,048,661	5,426,821	5,427	65,470,055
Less accumulated depreciation for:				
Buildings	4,205,661	449,177	-	4,654,838
Improvements other than buildings	11,850,533	1,118,382	-	12,968,915
Equipment	1,501,145	137,697	5,427	1,633,415
Infrastructure	973,994	510,209	-	1,484,203
Total accumulated depreciation	18,531,333	2,215,465	5,427	20,741,371
Total capital assets being depreciated, net	41,517,328	3,211,356	-	44,728,684
Business-type activities capital assets, net	<u>\$ 47,229,187</u>	<u>\$ 4,076,425</u>	<u>\$ 1,215,370</u>	<u>\$ 50,090,242</u>

Depreciation expense was charged as follows:

Business-type activities:	
Airport	\$ 1,322,133
Utilities	880,133
Sanitary landfill	13,199
Total depreciation expense - business-type activities	<u>\$ 2,215,465</u>

**FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 7 - Long-Term Debt:

The balance of bonds and notes payable at September 30, 2019, are as follows:

Bonds and Notes Payable from Governmental Activities

General Obligation Refunding Bonds, Series 2015 with an original face value of \$25,500,000 were issued March, 2015 to current refund all of the County's outstanding General Obligation Bonds, Series 2005 along with closing costs incurred. This current refunding resulted in a reduction of total debt service payments over 20 years of approximately \$3,892,300 and an economic gain of approximately \$2,966,000. Interest is paid at 3.300%. The bonds are general obligations of the County. The payment of principal and interest on the bond is payable from and secured by a pledge of ad valorem taxes on all taxable property within the County. Principal payments are due on July 1. Interest payments are due on January 1 and July 1 of each year. Maturity is July 1, 2035. \$ 21,715,000

Capital Improvement and Refunding Revenue Bonds, Series 2015 with an original face value of \$42,775,000, were issued in February 2015 to advance refund all of the County's outstanding Capital Improvement Revenue Bonds, Series 2005 along with closing costs incurred, and to finance the costs of acquisition, construction and equipping of a consolidated Sheriff's Operations Center and expansion of the County's correctional facility. Interest is paid at 4.000%. This advance refunding resulted in a reduction of total debt service payments over 20 years of approximately \$6,500,300 and an economic gain of approximately \$4,950,200. The bonds are special obligations of the County. The payment of principal and interest on the bond is payable from Non-Ad Valorem revenues generated in the County's General Fund. Principal payments are due on Oct 1. Interest payments are due on April 1 and October 1 each year. Maturity is October 1, 2035. 38,525,000

Note Payable - was issued on September 28, 2005 in the amount of \$11,346,000 to finance the purchase and installation of an 800 megahertz communication system and the purchase of additional emergency services vehicles. Payments of principal and interest at 4.73% are due on October 1 and April 1 each year. Maturity is October 1, 2020. Principal and interest payments made during the year amounted to \$951,647. Payments are to be made from legally available non ad valorem revenues of the County. 1,340,000

Limited Ad Valorem Tax Refunding Bond, Series 2016 with an original face value of \$11,380,000 were issued April 26, 2016 to advance refund a portion of Limited General Obligation Bonds, Series 2009 and Limited General Obligations Bonds, 2010 along with closing costs incurred. This current refunding resulted in a reduction of total debt service payments over 20 years of approximately \$1,736,664 and an economic gain of approximately \$1,064,591. Interest is paid at 2.190%. The bonds are limited obligations of the County. The payment of principal and interest on the bond is payable from and secured by a pledge of ad valorem taxes at a rate not to exceed 0.250 mill per year on all taxable property within the County. Principal payments are due on July 1. Interest payments are due on January 1 and July 1 of each year. Maturity is July 1, 2029. 10,345,000

Tourist Development Tax Revenue Bond, Series 2017 with an original face value of \$6,536,000 were issued August 30, 2017 to provide funds for beach restoration as a result of damage by Hurricane Matthew. Interest is paid at 2.39%. The payment of principal and interest on the bond is payable from and secured by Tourism Development Taxes. Principal payments are due on November 1. Interest payments are due on May 1 and November 1 of each year. Maturity is November 1, 2030. The approximate amount of the pledge is equal to the remaining principal and interest of \$7,436,313. The amount drawn at closing in August 2017 was \$560,000. The remaining balance of \$5,976,000 was drawn on November 28, 2017. 5,336,000

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

Taxable Special Assessment Revenue Note, Series 2018 - was issued March 20, 2018 in the amount of \$1,520,000 to finance the cost of its new vinyl seawall with concrete cap to protect adjacent homes along the Painters Hill Shoreline. Interest is paid at a fixed rate of 3.94%. Payments of principal and interest are due on July 1 and January 1 each year. Maturing is July 1, 2033. The County, in its annual budget, budgeted and appropriated Special Assessment Tax Funds sufficient to pay the principal and interest on this Note.	1,209,000
Taxable Special Assessment Revenue Note, Series 2018B - was issued June 22, 2018 in the amount of \$3,112,000 to finance the cost of the restoration of emergency berm (dune) and partial engineered dune to mitigate against loss of land and structures. Interest is paid at a rate of 3.97%. Payments of principal and interest are due on July 1 and January 1 each year. Maturity is July 1, 2023. The County, in its annual budget, budgeted and appropriated Special Assessment Tax Funds sufficient to pay the principal and interest on this Note.	2,557,000
Pooled Commercial Paper Notes, Series A - was issued April 25, 2019 in the amount of \$1,000,000 to finance improvements to the County's existing Enterprise Resource Planning (ERP) software and the purchase of various Fire Rescue equipment. Interest is a blended market rate based on the actual rates of sale for the Florida Local Government Financial Commission Commercial Paper. . Principal payments will be \$200,000 per year. Maturity is December 5, 2023. The County, in its annual budget, budgeted and appropriated General Tax Revenues sufficient to pay the principal and interest on this Note.	1,000,000
Tax-Exempt Lease/Purchase Agreement - was executed on April 3, 2019 to purchase police vehicles and other ancillary equipment for Sheriff's Office. The annual interest rate is 2.99%. The loan amount is \$1,200,000 and the maturity date is four years from date of closing.	1,081,579
Bonds and notes payable from governmental activities	<u>\$ 83,108,579</u>
Note Payable from Business-Type Activities	
Water and Sewer System Revenue Bond, Series 2013 - was issued April 12, 2013 with an original face value of \$3,254,000 to finance the acquisition, construction and equipping of improvements to the County's water and sewer system. Interest payable at a fixed rate of 3.5% per annum. The principal and interest are payable by a pledge of the net revenues derived from the operation of the System. Payments are due yearly on September 1st. Maturity date is September 1, 2052. The approximate amount of the pledge is equal to the remaining principal and interest of \$5,308,475. Payments made during the fiscal year were for principal and interest amounted of \$156,305.	3,028,000
Note Payable - was issued on November 30, 2004 in the amount of \$3,500,000 to finance a portion of the development of the County's Airport Business Park. Interest is paid at a rate of \$4.43%. Payments of principal and interest are due on January 1, April 1, July 1 and October 1 each year. Maturity is October 1, 2023. Principal and interest are payable from lawfully available non-ad valorem revenues.	451,506
Note Payable - was issued on July 2015 in the amount of \$2,437,000 to refund the County's taxable capital improvement note issued to finance improvements to the County Airport. Interest is paid at a rate of 4.25%. Principal payments are due February 1. Interest payments are due on August 1 and February 1 of each year. Maturity is February 1, 2030. Principal and interest are payable from net revenues received by the Airport. In January 6, 2017, the interest rate was reduced to 3.47%	1,943,000

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

Note Payable - was issued in March 2015 in the amount of \$2,850,000 to finance the purchase of two buildings located on to the County Airport. Interest is paid at a rate of 3.900%. Payments of principal and interest are due on January 1, April 1, July 1 and October 1 each year. Maturity is April 1, 2030. Principal and interest payments are to be made from revenues derived from leases and rents from tenants of the buildings. In January 6, 2017, the interest rate was reduced to 3.47%.	2,204,000
Drinking Water, State Revolving Fund - was issued February 6, 2013 in the amount of \$5,800,704 to finance the acquisition of the portable water system. Interest is paid at a rate of 2.37%. Payments of principal and interest are due on March 15 and September 15 each year. Maturity is September 15, 2043. Payments are made from the gross revenues derived yearly from the operation of the Utility System. This obligation was transferred and assigned to the County by the City of Bunnell on October 1, 2015.	4,939,963
Clean Water, State Revolving Fund - was issued June 30, 2014 in the amount of \$393,999 to pay for planning and design of wastewater system improvements. Interest is paid at a rate of 2.37%. Payments of principal and interest are due on April 15 and October 15 each year. Maturity is April 15, 2034. Payments are made from the gross revenues derived yearly from the operation of the Utility System. This obligation was transferred and assigned to the County by the City of Bunnell on October 1, 2015.	360,268
Clean Water, State Revolving Fund - was issued August 7, 2017 in the amount of \$5,729,600 for the construction of a wastewater treatment plant. Interest is paid at a rate of 3.55%. Payments of principal and interest are due on May 15 and November 15 each year. Maturity is November 15, 2038. Payments are made from the gross revenues derived yearly from the operation of the Utility System. The amount of \$139,135 was drawn in August 2018.	3,362,396
East Flagler Mosquito Control - an agreement between the County and East Flagler Mosquito Control District was issued April 16, 2018 in the amount of \$101,000 to terminate the existing Space Use Agreement and to purchase the hangar located at 170 Aviation Drive through rent abatement incorporated into the new EFMCD ground lease. The rent abatement represents the difference in the monthly payment to be paid to the County for the new ground lease and what EFMCD is currently paying. Maturity is September 2022. This is a non-interest bearing loan.	57,172
Utility System Revenue Note, Series 2019 - was issued May 31, 2019 in the amount of \$3,781,000 to finance the installation of a water treatment plant at Plantation Bay. Bearing Interest at a fixed rate of 2.99%. Payments of principal and interest are due on April 1 and October 1 each year. Maturity is October 1, 2033. Payments are made from the gross revenues derived from the operation of the Utility System.	3,781,000
Bonds and notes payable from business-type activities	<u>\$ 20,127,305</u>
Capital Lease Obligation from Governmental Activities	
Capital Lease - was executed on August 8, 2016 to acquire and lease a Caterpillar 326FL Hydraulic Excavator. Interest is paid at a rate of 2.95%. Six payments of \$43,548 each are due yearly in August with a final payment of \$1 due in August of the seventh year. Aggregate historical cost of excavator is \$243,270.	83,388
Master Equipment Lease/Purchase agreement - was executed on February 23, 2017 to purchase a voting tabulation and phone systems for five years. Interest is paid at a fixed rate of 1.82%. Aggregate historical cost is \$1,050,000.	462,000
Equipment Lease/Purchase agreement - was executed on January 17, 2018 to purchase multiple vehicles including police automobiles and related equipment, and boats used for Water Patrol. Interest is paid at a tax exempt fixed rate of 2.24%. The loan amount is \$1,200,000 and the maturity date is four years from date of closing.	712,988

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

Master Equipment Lease / Purchase Agreement - was executed on May 24, 2018, in the amount of \$13,730,000 for the funding of a new Public Safety Communications Network. This Master Equipment Lease consists of two separate leases. Lease "A" represents Public Safety Equipment lease – Radios and Software in the amount of \$5,230,000, bearing interest at a fixed rate of 3.30%, and maturing December 1, 2029. Lease "B" represents Public Safety Equipment Lease - Infrastructure in the amount of \$8,500,000, bearing interest at a fixed rate of 3.42%, and maturing December 1, 2035. The County, in its annual budget, budgeted and appropriated Ad Valorem Funds and user fees sufficient to pay the principal and interest on the Leases.

Capital leases from governmental activities

13,730,000
\$ 14,988,376

Accrued Compensated Absences

Governmental Activities	3,448,190
Business-Type Activities	148,689

OPEB Liability

Governmental Activities	4,854,471
Business-Type Activities	106,665

Net Pension Liability

Governmental Activities	78,532,042
Business-Type Activities	952,987

Add Unamortized Premium

Governmental Activities	5,386,567
Total Long-Term Obligations	\$211,653,871

Debt service requirements to maturity on the County's long-term obligations at September 30, 2019, are as follows:

Governmental Activities:

Fiscal Year Ending September 30,	Bonds		Notes payable		Total Long- Term Obligations and Interest
	Principal	Interest	Principal	Interest	
2020	\$ 3,935,000	\$ 2,758,131	\$ 2,059,301	\$ 240,248	\$ 8,992,680
2021	3,750,000	2,636,958	1,662,089	164,930	8,213,977
2022	4,444,000	2,470,614	1,246,143	113,918	8,274,675
2023	4,639,000	2,283,215	1,151,046	72,785	8,146,046
2024	4,828,000	2,086,931	294,000	37,382	7,246,313
2025-2029	27,256,000	7,289,114	525,000	112,881	35,182,995
2030-2034	22,479,000	2,841,092	250,000	15,405	25,585,497
2035-2039	4,590,000	172,555	-	-	4,762,555
Total principal and interest	75,921,000	22,538,610	7,187,579	757,549	106,404,738
Less interest to be paid	-	(22,538,610)	-	(757,549)	(23,296,159)
Total principal	75,921,000	-	7,187,579	-	83,108,579
Deferred amounts	5,386,567	-	-	-	5,386,567
Totals	<u>\$ 81,307,567</u>	<u>\$ -</u>	<u>\$ 7,187,579</u>	<u>\$ -</u>	<u>\$ 88,495,146</u>

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

Business-type Activities:

Fiscal Year Ending September 30,	Bonds		Notes payable		Total Long- Term Obligations and Interest
	Principal	Interest	Principal	Interest	
2020	\$ 50,000	\$ 105,980	\$ 958,980	\$ 397,067	\$ 1,512,027
2021	52,000	104,230	1,124,153	391,487	1,671,870
2022	54,000	102,410	1,154,912	362,818	1,674,140
2023	56,000	100,520	1,166,623	333,254	1,656,397
2024	58,000	98,560	1,145,021	302,759	1,604,340
2025-2029	320,000	460,950	5,894,850	1,092,018	7,767,818
2030-2034	379,000	400,995	3,399,390	474,670	4,654,055
2035-2039	450,000	329,875	1,226,683	201,241	2,207,799
2040-2044	535,000	245,385	1,028,693	55,608	1,864,686
2045-2049	636,000	144,900	-	-	780,900
2050-2054	438,000	31,010	-	-	469,010
Total principal and interest	3,028,000	2,124,815	17,099,305	3,610,922	25,863,042
Less interest to be paid	-	(2,124,815)	-	(3,610,922)	(5,735,737)
Totals	<u>\$ 3,028,000</u>	<u>\$ -</u>	<u>\$ 17,099,305</u>	<u>\$ -</u>	<u>\$ 20,127,305</u>

Governmental Activities Long-term obligations not included above:

Accrued compensated absences payable	3,448,190
OPEB liability	4,854,471
Net pension liability	78,532,042
Capitalized lease obligations	14,988,376

Business-type Activities Long-term obligations not included above:

Accrued compensated absences payable	148,689
OPEB liability	106,665
Net pension liability	952,987

Total long-term obligations	<u>\$ 211,653,871</u>
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FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

Changes in long-term liabilities for the fiscal year ended September 30, 2019, are summarized as follows:

	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Due within one year
Governmental activities:					
General long-term obligations:					
Bonds payable	\$ 80,276,000	\$ -	\$ 4,355,000	\$ 75,921,000	\$ 3,935,000
Notes payable	6,820,000	2,200,000	1,832,421	7,187,579	2,059,301
Deferred amounts:					
Issuance premiums	5,718,713	-	332,146	5,386,567	-
Total bonds and notes payable	92,814,713	2,200,000	6,519,567	88,495,146	5,994,301
Accrued compensated absences	3,093,707	4,068,188	3,713,705	3,448,190	3,448,190
OPEB liability	4,724,942	129,529	-	4,854,471	-
Net pension liability	66,670,405	11,861,637	-	78,532,042	217,866
Capitalized lease obligations	15,546,652	-	558,276	14,988,376	571,115
Total governmental activity long-term obligations	182,850,419	18,259,354	10,791,548	190,318,225	10,231,472
Business-type activities:					
Bonds payable	3,076,000	-	48,000	3,028,000	50,000
Notes payable	10,667,620	7,004,261	572,576	17,099,305	958,980
Total bonds and notes payable	13,743,620	7,004,261	620,576	20,127,305	1,008,980
Accrued compensated absences	118,120	148,689	118,120	148,689	148,689
OPEB liability	138,611	-	31,946	106,665	-
Net pension liability	788,913	164,074	-	952,987	8,334
Total business-type activity long-term obligations	14,789,264	7,317,024	770,642	21,335,646	1,166,003
TOTAL LONG-TERM LIABILITIES	\$ 197,639,683	\$ 25,576,378	\$ 11,562,190	\$ 211,653,871	\$ 11,397,475

For governmental activities, compensated absences are liquidated by the respective funds obligated for the related payroll cost, that is, 79 percent by the general fund, 7 percent by the county transportation fund, and the remaining 14 percent is liquidated by other governmental funds and the internal service fund. Net postemployment benefit obligations and pension liabilities are expected to be liquidated from the general fund.

Future minimum lease payments under the capital leases as of September 30, 2019 and for the remaining terms are as follows:

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

<u>Fiscal Year Ending September 30</u>	<u>Amount</u>
2020	\$ 1,058,167
2021	1,500,574
2022	1,445,801
2023	1,340,193
2024	1,339,168
2025-2029	6,690,644
2030-2034	4,231,290
2035-2036	1,444,154
Total principal and interest	19,049,991
Less amounts representing interest	(4,061,615)
Total principal	<u>\$ 14,988,376</u>

On December 1, 2000, the County early retired four bond issues including accrued interest. These bonds were retired pursuant to an interlocal agreement, as amended (the Agreement), between Flagler County and several municipal corporations within Flagler County. Payment for the retirement of these bonds was made from the Landfill Debt Service Fund and the Landfill Capital Projects Fund in accordance with the Agreement.

The Agreement also required the establishment of reserves in the following amounts:

	<u>Amount originally reserved</u>	<u>Amount used as of September 30, 2019</u>	<u>Remaining balance, September 30, 2019</u>
Monitoring of existing and future landfills	\$ 1,600,000	\$ (1,600,000)	\$ -
Future landfill capital purchases	1,575,730	(349,972)	1,225,758
Payments to the municipal corporations	1,250,000	(1,250,000)	-
Future purchase of fire suppression equipment and/or the construction of fire stations	2,314,654	(2,089,654)	225,000
Totals	<u>\$ 6,740,384</u>	<u>\$ (5,289,626)</u>	<u>\$ 1,450,758</u>

The County is no longer required to meet the reserve requirement of monitoring of existing and future landfills.

The remaining balance at September 30, 2019 is included in equity on the accompanying statement of net position and balance sheet as follows:

General fund:	
Fund balance restricted for future capital outlay	\$ 225,000
Enterprise funds:	
Net position restricted for future capital outlay	1,225,758
Totals	<u>\$ 1,450,758</u>

Defeasance of Debt – On April 26, 2016 the County defeased the Limited Tax General Obligation Bonds, Series 2009 by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds until a callable date of July 1, 2019. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

On April 26, 2016 the County defeased the Limited Tax General Obligation Bonds, Series 2010 by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds until a callable date of January 1, 2018. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements.

At September 30, 2019 \$34,430,000 of bonds outstanding are considered defeased.

Obligation for Bond Arbitrage Rebate – Pursuant to the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain bond proceeds and pledged revenues over the yield rate of the applicable debt. Arbitrage rebate, if any, is due and payable on each five year anniversary of the respective debt issue. As of September 30, 2019, there was no arbitrage due.

Interest Rate Swaps - As a means of lowering its borrowing costs, when compared with fixed rate notes at the time of issuance in December 2004 and September 2005, the County entered into interest rate swap agreements with Bank of America. The intention of the swaps is to effectively change the County's variable interest rate note to a synthetic fixed rate.

Under the swap agreement, the County pays the counterparty interest calculated at a fixed rate. In return, the counterparty owes the County interest based on a variable rate per annum equal to a percentage of LIBOR plus a variable spread rate. Only the net difference in the payments is actually exchanged with the counterparty. The note principal is not exchanged; it is only the basis on which interest payments are calculated.

Bank of America - Airport Capital Improvements

Terms - Effective December 6, 2004, the County entered into a nineteen year floating receiver swap with Bank of America with a fixed rate of 4.43%. The notional amount of the swap as of September 30, 2019 was \$451,506. The county receives payments quarterly and makes payments quarterly. The swap is related to the \$3,500,000 construction of capital assets.

Fair Value - As of September 30, 2019, the underlying swaps had a negative fair value of \$25,234. This fair value was obtained from the counter-parties' market-to-market reports provided to the County.

Bank of America – Capital Improvements

Terms - Effective September 27, 2005, the County entered into a fifteen year structured trade swap with Bank of America with a fixed rate of 4.73%. The notional amount of the swap as of September 30, 2019 was \$1,340,000. The county receives payments quarterly and makes payments semiannually. The swap is related to the \$11,346,000 purchase of emergency equipment.

Fair Value - As of September 30, 2019, the underlying swaps had a negative fair value of \$23,470. This fair value was obtained from the counter-parties' market-to-market reports provided to the County.

Changes in the fair value and ending fair value of the derivative instruments for the fiscal year ended September 30, 2019 were as follows:

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7 - Long-Term Debt: (continued)

	Changes in Fair Value		Ending Fair Value		Notional
	Classification	Amount	Classification	Amount	
Governmental activities					
Cash flow hedges:					
Pay-fixed interest rate swaps	Deferred outflow	\$ 23,236	Debt	\$ (23,470)	\$ 1,340,000
Business-type activities					
Cash flow hedges:					
Pay-fixed interest rate swaps	Deferred outflow	(2,221)	Debt	(25,234)	451,506

Swap Payments and Associated Debt

Assuming that interest rates remain the same, at September 30, 2019, debt service requirements on the variable rate notes and interest swaps would be as follows:

Fiscal Year Ending September 30,	Variable Rate Notes		Interest Rate Swaps	Total
	Principal	Interest		
2020	\$ 978,583	\$ 28,648	\$ 43,318	\$ 71,966
2021	550,864	8,440	16,825	25,265
2022	101,287	3,328	6,771	10,099
2023	105,914	2,042	3,461	5,503
2024	54,858	697	119	816
	<u>\$ 1,791,506</u>	<u>\$ 43,155</u>	<u>\$ 70,494</u>	<u>\$ 113,649</u>

Credit risk – As of September 30, 2019 the County is not subject to credit risk from the swap agreements since the fair value of each swap was negative. However, should interest rates change and the fair value of the swap become positive, the County would be exposed to credit risk.

NOTE 8 - Short-term debt:

A summary of changes in governmental short-term debt as follows:

	Balance October 1, 2018	Additions	Deletions	Balance September 30, 2019
Tax anticipation note	<u>\$10,000,000</u>	<u>\$ -</u>	<u>\$ 10,000,000</u>	<u>\$ -</u>

On September 25, 2018, the Board entered into a short term, tax anticipation note payable agreement to provide operating capital for its General Fund operations for Fiscal Year 2018-2019 in the amount not to exceed \$15,000,000. The note included interest at a variable rate and matured February 1, 2019. It was secured by a pledge of and lien upon ad valorem tax receipts collected during the 2018/2019 fiscal year. The amount drawn on this tax anticipation note was \$10,000,000 and it was paid in full on December 14, 2018.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9 - Landfill Closure and Postclosure Costs:

State and federal laws and regulations require the County to place a final cover on the Construction and Demolition Debris Landfill (C&D) Landfill when closed and to perform certain maintenance and monitoring functions at the landfill site for five years after closure. The C&D Landfill facility was closed April 2006. All accrued costs for postclosure care have been amortized.

The County is no longer required by state and federal laws and regulations to establish escrow accounts for closure and postclosure costs of the three landfills.

NOTE 10 - Operating Lease Commitments:

The County has various operating leases for facilities, vehicles and equipment with maturities ranging from monthly to Fiscal Year 2022. Monthly lease expense ranges from \$52 to \$4,163. During the year ended September 30, 2019, the lease payments totaled \$327,933.

The future minimum lease payments for the remaining terms are as follows:

<u>Year Ending September 30,</u>		<u>Amount</u>
2020	\$	290,442
2021		167,798
2022		15,480
	\$	<u>473,720</u>

NOTE 11 – State of Florida Pension Plans:

Defined Benefit Pension Plan

The County participates in two defined 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 State of 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.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11 – State of Florida Pension Plans: (continued)

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 HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under 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*.

Contributions

The contribution requirements of plan members and the County are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to the FRS. The County's contribution rates as of September 30, 2019 are as follows:

	<u>FRS</u>	<u>HIS</u>
Regular Employees	6.81%	1.66%
Elected County Officials	47.16%	1.66%
Senior Management	23.75%	1.66%
Special Risk	23.82%	1.66%
Deferred Retirement Option Programs (DROP) Employees	12.94%	1.66%

The County's contributions to FRS and HIS for the year ended September 30, 2019, were \$6,168,813 to the FRS and \$676,410 to the HIS.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11 – State of Florida Pension Plans: (continued)

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 liabilities. The net pension liabilities were measured as of June 30, 2019. The County's proportions of the net pension liabilities were based on the County's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net Pension Liability	\$ 66,153,815	\$ 13,331,213
Proportion at:		
Current measurement date	0.1921%	0.1191%
Prior measurement date	0.1837%	0.1146%
Pension expense (benefit)	<u>\$ 16,653,005</u>	<u>\$ 1,227,962</u>

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:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,923,772	\$ 41,054	\$ 161,922	\$ 16,324
Changes in assumptions	16,991,146	-	1,543,629	1,089,585
Net difference between projected and actual earnings on pension plan investments	-	3,659,974	8,602	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,581,921	711,404	1,162,484	150,906
Employer contributions subsequent to the measurement date	1,698,283	-	178,838	-
TOTALS	<u>\$26,195,122</u>	<u>\$ 4,412,432</u>	<u>\$3,055,475</u>	<u>\$ 1,256,815</u>

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11 – State of Florida Pension Plans: (continued)

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, 2019. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30,	FRS	HIS
2020	\$ 6,979,891	\$ 467,046
2021	2,727,958	432,002
2022	5,029,273	335,968
2023	3,766,700	84,004
2024	1,130,665	118,859
Thereafter	449,920	181,942
TOTAL	<u>\$ 20,084,407</u>	<u>\$ 1,619,821</u>

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 FRS Pension Plan was determined by an actuarial valuation dated July 1, 2019. For the Retiree Health Insurance Subsidy (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 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 for both plans were based on the Generational RP-2000 with projection Scale BB.

The actuarial assumptions that determined the total pension liability as of June 30, 2019, were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key assumptions occurred in 2019:

FRS: The long-term expected rate of return and the discount rate used to determine the total pension liability decreased from 7.00% to 6.90%.

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability decreased from 3.87% to 3.50%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11 – State of Florida Pension Plans: (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1%	3.30%	3.30%
Fixed income	18%	4.10%	4.10%
Global equity	54%	8.00%	6.80%
Real estate (property)	10%	6.70%	6.10%
Private equity	11%	11.20%	8.40%
Strategic investments	6%	5.90%	5.70%
	<u>100%</u>		

Discount rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.90%. The FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees, therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.50% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to the changes in the discount rate. The sensitivity analysis shows the impact to the County'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.

<u>FRS</u>			<u>HIS</u>		
	<u>Current</u>			<u>Current</u>	
1%	Discount	1%	1%	Discount	1%
Decrease	Rate	Increase	Decrease	Rate	Increase
(5.90%)	(6.90%)	(7.90%)	(2.50%)	(3.50%)	(4.50%)

Employer's proportionate share of the net pension liability	\$114,357,917	\$66,153,815	\$25,895,236	\$15,218,263	\$13,331,213	\$11,759,514
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Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11 – State of Florida Pension Plans: (continued)

401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2019, totaled \$971,997.

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; and natural disasters for which the County carries commercial insurance. There were no significant reductions in insurance coverage from prior years. For the past three years, there have been no insurance settlements significantly in excess of insurance coverage.

Employee life and health insurance is provided under an externally administered self-insured plan. Employees pay for cost of family health insurance coverage. The County pays all administrative fees and purchases insurance to absorb losses in excess of \$175,000. Claims liabilities are reported at current dollar value and are comprised of unpaid claims on hand and a reserve for claims incurred but not reported. This estimate of approximately \$1,392,432 at September 30, 2019 is based on historical experience, current trends and an actuarial study performed by an actuarial firm.

The self-insurance plan is accounted for in the Group Medical Benefit Internal Service Fund. The self-insurance plan includes the Constitutional Officers who contributed a total of \$5,051,407 to the plan for the year ended September 30, 2019.

Changes in the Fund's claims liability were as follows:

	<u>Liability October 1,</u>	<u>Claims incurred</u>	<u>Claims paid</u>	<u>Liability at September 30</u>
2018 - 2019	\$ 1,010,463	\$ 8,963,778	\$ 8,581,809	\$ 1,392,432
2017 - 2018	1,176,050	7,123,805	7,289,392	1,010,463

NOTE 13 - Interfund Balances and Transfers:

These balances represent loans between the borrower and the lender funds. These resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. Advances are not expected to be collected within one year. At September 30, 2019, interfund balances consisted of:

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 13 - Interfund Balances and Transfers: (continued)

	<u>Due from other funds</u>	<u>Due to other funds</u>
General fund	\$ 141,334	\$ 337,025
General fund advances	1,700,000	-
Constitutional Gas Tax	63,900	-
Tourist Development Tax - Beach Restoration	395,936	62,211
Capital Projects	-	123,379
Nonmajor governmental funds	384,363	440,701
 Airport	 2,453	 30,813
Utility	984	14,659
Utility fund advances	-	1,700,000
Nonmajor business-type funds	33,752	14,145
Internal services fund	211	-
	<u>\$ 2,722,933</u>	<u>\$ 2,722,933</u>

The advance balance of \$1,700,000 due from the utilities fund for startup costs remains open.

The County makes routine transfers between its funds in the course of the fiscal year. The principal purposes of these transfers are to allocate resources for debt service, construction or other capital projects, and to provide operating subsidies. These transfers are consistent with the activities of the funds involved. A summary of the transfers follows:

	<u>Transfer in</u>	<u>Transfer out</u>
General fund	\$ 1,799,629	\$ 1,051,199
Tourist Development Tax - Beach Restoration	4,319	-
Capital Projects	-	1,000,000
Nonmajor governmental funds	594,064	355,158
 Nonmajor business-type funds	 8,345	 -
Total transfers	<u>\$ 2,406,357</u>	<u>\$ 2,406,357</u>

NOTE 14 - Commitments and Contingencies:

The County is involved in various other litigation matters arising from the normal operations of a local government. It is the opinion of management that none of those matters will have a material impact on the financial statements of the County.

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

The County has active construction projects as of September 30, 2019. The main project for the County is the Coastal Storm Risk Management project in Flagler Beach. This project will be executed in cooperation with U.S. Army Corps Engineers. As of September 30, 2019, the County's significant construction commitments are as follows:

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 14 - Commitments and Contingencies: (continued)

	<u>Total Adjusted Contract Amounts</u>	<u>Remaining Commitments</u>
Coastal Storm Risk Management (Initial cost)	\$ 17,494,000	\$ 17,494,000
Public Safety Communications Network	13,730,000	3,213,516
Roadway Constructions	26,525,786	21,514,483
Plantation Bay New Water Treatment System	7,163,679	6,345,314

NOTE 15 - Other Postemployment Benefits:

In fiscal year 2018, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multi-Employer Plans*, for OPEB.

Plan Description and Benefits Provided

The County offers a self-funded health insurance plan that provides health, prescription drugs, dental, and vision and life insurance coverage to its active employees, eligible retirees and dependents. This is a single-employer defined benefit plan administered by the County. Per Section 112.0801, Florida Statutes, require local governments to offer the same health and hospitalization insurance coverage to retirees and their eligible dependents as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. Full time and regular part-time employees who work at least 20 hours per week are eligible to participate in the plan. Employees who are eligible for Normal or Early retirement under FRS Pension Plan are eligible to participate in the plan. All employees of the FRS Pension Plan actively enrolled on or after July 1, 2001 thru June 30, 2011, are vested upon completing six years of creditable service regardless of their membership class. Employees initially enrolled on or after July 1, 2011, are vested upon completing eight years of creditable service, regardless of their membership class.

For regular class, elected officers' class and senior management service class employees initially enrolled before July 1, 2011, vested and age 62 or after 30 years of creditable service regardless of age (may include optional service credit). For employees initially enrolled on or after July 1, 2011, vested and age 65 or after 33 years of creditable service regardless of age (may include optional service credit).

For special risk employees initially enrolled before July 1, 2011, six years of special risk service and age 55; or 25 total years of special risk service and age 52 (may include up to four years of military service); or 25 years of special risk service regardless of age; or 30 years of any creditable service (may include up to four years of military service). For employees initially enrolled on or after July 1, 2011, eight years of special risk services and age 60; or after 30 total years of special risk service and age 57 (may include up to four years of military service); or after 30 years of special risk service regardless of age; or after 33 years of any creditable service (may include optional service credit and service in other membership classes). Employees who become disabled in the line of duty are allowed to continue coverage. Retirees may cover spouses and eligible dependent children. Surviving spouses and eligible dependent children can continue coverage after retiree's death for up to 36 months by paying the COBRA rates. The Board of County Commissioners can amend the benefit provisions.

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 15 - Other Postemployment Benefits: (continued)

The County has not established a separate GASB compliant Trust Fund or equivalent arrangement into which the County would make contributions to advance fund the obligation. Benefits are currently paid out on a pay-as-you-go basis. Thus, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan does not issue a stand-alone report and is not included in the report of any other entity.

Employees Covered

At October 1, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	82
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	673
Total	<u>755</u>

Contributions (benefit payment reductions) to the OPEB Plan are shared by the retiree and the County. OPEB Plan participants must reimburse the County for the County's average blended cost. Contributions requirements of the County are established and may be amended through action by the Board.

Total OPEB Liability and Changes in Total OPEB Liability

The measurement date for the County's total/net OPEB liability of \$4,961,136 was October 1, 2018, one year prior to the County's fiscal reporting date of September 30, 2019. The components of the County's changes in the Total OPEB liability reported at September 30, 2019 are as follows:

<u>Total OPEB Liability (TOL)</u>	
Service Cost	\$ 225,058
Interest	174,123
Benefit Changes	-
Difference Between Actual and Expected Experience	471,201
Assumption Changes	(543,516)
Benefit Payments	(229,283)
Net Change in Total OPEB Liability	\$ 97,583
Total OPEB Liability (TOL) - beginning	4,863,553
Total OPEB Liability (TOL) - ending	<u>\$ 4,961,136</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50% at the beginning of the measurement period to 3.83% as of October 1, 2018.

**FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 15 - Other Postemployment Benefits: (continued)

Actuarial Assumptions and other inputs

The total OPEB liability reported at September 30, 2019 was based on an actuarial valuation dated October 1, 2018 using the following actuarial assumptions:

Inflation	2.60% - not explicitly used in valuation
Discount Rate	3.8%
Projected salary increases	3.7% - 7.8%
Healthcare cost trend rates	Based on the Getzen Model starting at 6.0% gradually decreasing to an ultimate rate of 4.0% in 2040
Retirees' share of benefit-related costs	100% of blended health insurance premium rates except by law 0% for certain conditions for Police Officers and Firefighters death and disability benefits

The discount rate was based on the Fidelity 20-Year Municipal GO AA Index

The mortality rates are healthy members based on various RP-2000 mortality tables with varying Collar adjustments and generational mortality improvements with Scale BB. Disabled Employees based on RP-2000 Disabled mortality tables setback 4 years for males and set forward 2 years for females and no projected improvements.

The experience study for the actuarial assumptions used in October 1, 2018 actuarial valuation are based on results of experience studies conducted by the Florida Retirement System as of 2014.

Sensitivity of Total OPEB liability to changes in discount rate

The following table presents the total OPEB liability of the County , as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Discount Rate	2.83%	3.83%	4.83%
Total OPEB Liability	\$ 5,558,439	\$ 4,961,136	\$ 4,459,237

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 15 - Other Postemployment Benefits: (continued)

Sensitivity of Total OPEB liability to changes in healthcare trend rate

The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1% lower or 1% higher than the current rate:

	<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
Discount Rate	5.0% to 3.0%	6.0% to 4.0%	7.0% to 5.0%
Total OPEB Liability	\$ 4,417,296	\$ 4,961,136	\$ 5,624,768

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

For the year ended September 30, 2019, the County recognized OPEB expense of \$386,769. At September 30, 2019, the County had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual and expected experience	\$ 522,748	\$ -
Changes of assumptions or other inputs	-	639,187
Total	<u>\$ 522,748</u>	<u>\$ 639,187</u>

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

<u>Year Ending September 30,</u>	<u>Amount</u>
2020	\$ (12,412)
2021	(12,412)
2022	(12,412)
2023	(12,412)
2024	(12,412)
Thereafter	(54,379)
Total	<u>\$ (116,439)</u>

FLAGLER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 16 - Subsequent Events Disclosure:

Clean Water, State Revolving Fund

On August 7, 2017, the County issued a \$5,729,600 Clean Water, State Revolving Fund for the construction of a wastewater treatment plant. Interest is paid at a rate of 3.55%, and maturing on November 15, 2038. The amount of \$1,475,408 was withdrawn on May 5, 2020. See Note 7 for additional information.

Refinancing of Master Equipment Lease/Purchase Agreement

On December 2, 2019, the County refinanced the Master Equipment Lease agreement in the amount of \$13,730,000 with Banc of America Public Capital Corp to lower the interest rate on Leases A and B, the maturity date remains the same on both leases. This Master Lease agreement is for the funding of a new Public Safety Communications Network. Lease A represents Public Safety Equipment Lease – Radios and Software Refinance, lowering the interest rate from 3.30% to 1.985%. Lease B represents Public Safety Equipment Lease – Towers Refinance, lowering the interest from 3.42% to 2.384%. See Note 7 for additional information.

Grant Anticipation Note, Series 2020

On May 29, 2020, the County issued a \$5,913,000 Grant Anticipation Note, Series 2020, to finance the interim cost of certain match funding for Beach Re-Nourishments. The interest on the Note shall be the sum of: (A) 80% of LIBOR plus (B) 75 basis points, and shall be calculated using a 360 day year for the actual number of days elapsed. Interest shall be payable quarterly commencing June 30, 2020 and on each June 30, September 30, December 31 and March 31 thereafter until the Note is paid in full. The mature date for this Note is on May 31, 2022.

CARES Act Funding Agreement

The County was awarded the amount of \$5,020,187 from the Coronavirus Relief Fund to cover expenditures due to the public health emergency with respect to COVID-19. Example of eligible expenditures include, but are not limited to:

- Medical expenditures
- Public health expenditures
- Payroll expenditures for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency
- Expenditures of actions to facilitate compliance with COVID-19 related public health measures
- Expenditures associated with the provision of economic support in connection with the COVID-19 public health emergency
- Any other COVID-19 – related expenditures reasonably necessary to the function of government that satisfy the fund's eligibility criteria



REQUIRED SUPPLEMENTARY INFORMATION

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 69,967,096	\$ 69,967,096	\$ 67,442,102	\$ (2,524,994)
Licenses and permits	37,000	37,000	38,810	1,810
Intergovernmental	6,466,426	6,541,146	5,212,947	(1,328,199)
Charges for services	10,182,903	10,377,009	11,433,527	1,056,518
Fines and forfeitures	91,000	91,000	111,623	20,623
Miscellaneous revenue	684,568	721,876	777,458	55,582
Investment income	6,600	10,000	657,520	647,520
TOTAL REVENUES	87,435,593	87,745,127	85,673,987	(2,071,140)
EXPENDITURES				
Current				
County commission	642,716	525,504	522,600	2,904
County administration	17,321,521	17,451,940	14,957,909	2,494,031
County attorney	691,317	637,667	601,363	36,304
County engineering	879,838	722,217	631,535	90,682
Recreation, Fleet and Facilities	6,868,730	6,994,801	6,329,409	665,392
Emergency services	42,789,287	44,805,342	46,470,054	(1,664,712)
Transportation	1,658,213	1,658,688	1,275,983	382,705
Agriculture agent	289,675	289,675	253,195	36,480
Community services	4,000,759	4,029,266	3,822,216	207,050
Public library	1,228,723	1,297,817	1,135,574	162,243
Veteran services	139,212	139,212	110,229	28,983
Medical examiner	359,125	379,125	369,655	9,470
Pre-trial services	68,302	68,302	45,619	22,683
Judiciary	1,015,295	1,047,720	833,555	214,165
Pooled expenditures	4,552,659	5,180,991	4,785,707	395,284
Federal and State grants	1,200,620	1,267,924	907,757	360,167
Capital projects	1,299,870	1,299,870	192,325	1,107,545
Debt service				
Principal retirement	1,769,621	1,769,621	1,484,786	284,835
Interest and fiscal charges	225,620	225,620	216,247	9,373
TOTAL EXPENDITURES	87,001,103	89,791,302	84,945,718	4,845,584
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	434,490	(2,046,175)	728,269	2,774,444
OTHER FINANCING SOURCES (USES)				
Transfers in	299,656	1,154,937	999,629	(155,308)
Transfers out	(752,488)	(1,990,753)	(1,051,199)	939,554
Long term debt issued	891,150	891,150	2,200,000	1,308,850
Capital lease proceeds	-	883,857	-	(883,857)
TOTAL OTHER FINANCING SOURCES (USES)	438,318	939,191	2,148,430	1,209,239
NET CHANGE IN FUND BALANCE	872,808	(1,106,984)	2,876,699	3,983,683
FUND BALANCES, BEGINNING OF YEAR	(872,808)	1,106,984	14,117,091	13,010,107
FUND BALANCES, END OF YEAR	\$ -	\$ -	16,993,790	\$ 16,993,790
Perspective Difference - Funds not budgeted as part of General Fund:				
			Municipal services	966,898
			Public Safety Communications Network	3,551,779
			Disaster Relief Fund	60,437
FUND BALANCE, END OF YEAR - GAAP BASIS			\$ 21,572,904	

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL-
CONSTITUTIONAL GAS TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 23,159,678	\$ 24,629,178	\$ 9,050,824	\$ (15,578,354)
Charges for services	-	-	5,471	5,471
Investment income	10,000	10,000	92,212	82,212
Total revenues	<u>23,169,678</u>	<u>24,639,178</u>	<u>9,148,507</u>	<u>(15,490,671)</u>
EXPENDITURES				
Current				
Transportation	15,512,014	3,621,239	17,551	3,603,688
Capital Outlay	11,852,561	25,212,836	9,390,190	15,822,646
Total expenditures	<u>27,364,575</u>	<u>28,834,075</u>	<u>9,407,741</u>	<u>19,426,334</u>
Excess (deficiency) of revenues over expenditures	(4,194,897)	(4,194,897)	(259,234)	3,935,663
Fund balances-beginning	<u>4,194,897</u>	<u>4,194,897</u>	<u>5,008,772</u>	<u>813,875</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,749,538</u>	<u>\$ 4,749,538</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- TOURIST DEVELOPMENT TAX - BEACH RESTORATION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	\$ 720,000	\$ 720,000	\$ 714,922	\$ (5,078)
Intergovernmental	6,441,719	8,263,519	3,428,231	(4,835,288)
Investment income	15,000	39,451	43,426	3,975
Total revenues	<u>7,176,719</u>	<u>9,022,970</u>	<u>4,186,579</u>	<u>(4,836,391)</u>
EXPENDITURES				
Current				
Tourist development	8,226,512	10,990,064	5,399,257	5,590,807
Debt Service				
Other debt service costs	<u>1,341,871</u>	<u>1,341,871</u>	<u>1,341,870</u>	<u>1</u>
Total expenditures	<u>9,568,383</u>	<u>12,331,935</u>	<u>6,741,127</u>	<u>5,590,808</u>
Excess (deficiency) of revenues over expenditures	<u>(2,391,664)</u>	<u>(3,308,965)</u>	<u>(2,554,548)</u>	<u>754,417</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>4,319</u>	<u>4,319</u>
Net change in fund balance	(2,391,664)	(3,308,965)	(2,550,229)	758,736
Fund balances-beginning	<u>2,391,664</u>	<u>3,308,965</u>	<u>8,424,932</u>	<u>5,115,967</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,874,703</u>	<u>\$ 5,874,703</u>

FLAGLER COUNTY, FLORIDA
SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

Florida Retirement System	2015	2016	2017	2018	2019
Employer's proportion of net pension liability (asset)	0.1601%	0.1785%	0.1820%	0.1837%	0.1921%
Employer's proportionate share of the net pension liability (asset)	\$ 20,680,574	\$ 45,074,952	\$ 54,182,208	\$ 55,332,060	\$ 66,153,815
Employer's covered payroll **	\$ 31,337,441	\$ 33,394,967	\$ 35,947,885	\$ 37,425,195	\$ 39,927,174
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	65.99%	134.98%	150.72%	147.85%	165.69%
Plan fiduciary net position as a percentage of the total pension liability	92.00%	84.88%	83.89%	84.26%	82.61%
Health Insurance Subsidy Program	2015	2016	2017	2018	2019
Employer's proportion of net pension liability (asset)	0.1033%	0.1080%	0.1120%	0.1146%	0.1191%
Employer's proportionate share of the net pension liability (asset)	\$ 10,534,340	\$ 12,583,713	\$ 12,036,096	\$ 12,127,258	\$ 13,331,213
Employer's covered payroll **	\$ 31,337,441	\$ 33,394,967	\$ 35,947,885	\$ 37,425,195	\$ 39,927,174
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	33.62%	37.68%	33.48%	32.40%	33.39%
Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.97%	1.64%	2.15%	2.63%

Notes to schedules:

* The amounts presented for each fiscal year were determined as of the measurement date, which was June 30th of the current fiscal year.

** Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

FLAGLER COUNTY, FLORIDA
SCHEDULES OF EMPLOYER CONTRIBUTIONS - FRS
LAST 10 FISCAL YEARS*

Florida Retirement System	2015	2016	2017	2018	2019
Contractually required contribution	\$ 3,954,117	\$ 3,314,059	\$ 4,846,090	\$ 5,382,818	\$ 6,168,813
Contributions in relation to the contractually required contribution	<u>3,954,117</u>	<u>3,314,059</u>	<u>4,846,090</u>	<u>5,382,818</u>	<u>6,168,813</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll **	\$31,711,994	\$34,970,520	\$36,477,402	\$37,727,266	\$40,824,932
Contributions as a percentage of covered payroll	12.47%	9.48%	13.29%	14.27%	15.11%
Health Insurance Subsidy Program	2015	2016	2017	2018	2019
Contractually required contribution	\$ 425,713	\$ 573,674	\$ 605,102	\$ 626,132	\$ 676,410
Contributions in relation to the contractually required contribution	<u>425,713</u>	<u>573,674</u>	<u>605,102</u>	<u>626,132</u>	<u>676,410</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll **	\$31,711,994	\$34,970,520	\$36,477,402	\$37,727,266	\$40,824,932
Contributions as a percentage of covered payroll	1.34%	1.64%	1.66%	1.66%	1.66%

Notes to schedules:

** Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

**FLAGLER COUNTY, FLORIDA
SCHEDULE OF CHANGES IN THE COUNTY'S
TOTAL LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS***

	<u>FY 2018</u>	<u>FY 2019</u>
<u>Total OPEB Liability (TOL)</u>		
Service Cost	\$ 227,817	\$ 225,058
Interest	153,298	174,123
Benefit Changes	-	-
Difference Between Actual and Expected Experience	116,826	471,201
Assumption Changes	(179,015)	(543,516)
Benefit Payments	(342,671)	(229,283)
Net Change in Total OPEB Liability	\$ (23,745)	\$ 97,583
Total OPEB Liability (TOL) - beginning	4,887,298	4,863,553
Total OPEB Liability (TOL) - ending	<u>\$ 4,863,553</u>	<u>\$ 4,961,136</u>
Covered Employee Payroll	\$ 31,594,094	\$ 32,999,963
Total OPEB Liability of Covered Employee Payroll	15.39%	15.03%

Change to benefit terms:

None

Change of assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

<u>Measurement Date</u>	<u>Discount Rate</u>
October 1, 2016	3.10%
October 1, 2017	3.50%
October 1, 2018	3.83%

*GASB Statement No. 75 was implemented in 2018. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

**FLAGLER COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS AND MAJOR DEBT SERVICE AND CAPITAL PROJECT
FUND DESCRIPTIONS**

SPECIAL REVENUE FUNDS:

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for a specific purpose other than debt service or capital projects.

County Transportation Trust Fund

This fund was established to account for and report proceeds of local and state gas taxes. Expenditures in this fund are restricted for road and right of way maintenance within the County.

Legal Aid Fund

This fund was established to account for and report proceeds for 25% of the \$65.00 criminal violation fines pursuant to Section 939.185, Florida Statutes. Expenditures in this fund are restricted to fund legal aid programs.

Law Enforcement Trust Fund

This fund was established to account for and report proceeds received from the sale of confiscated property. Expenditures in this fund are restricted for law enforcement.

Law Library

This fund was established to account for and report proceeds for 25% of the \$65.00 criminal violation fines pursuant to Section 939.185, Florida Statutes. Expenditures in this fund are restricted to fund personnel and legal material for the public as part of a law library.

Court Facilities

This fund was established to account for and report proceeds from a surcharge on noncriminal traffic infractions or criminal violations pursuant to Section 318.17, Florida Statutes. Expenditures in this fund are restricted to fund State court facilities.

Tourist Development Tax – Capital

This fund was established to account for and report proceeds for 20% of the 5% local option tourist development tax on transient lodging within the County. Expenditures in this fund are restricted to capital projects that help promote the County as a strong visitor destination.

Tourist Development Tax – Promotion

This fund was established to account for and report proceeds for 60% of the 5% local option tourist development tax on transient lodging within the County. Expenditures in this fund are restricted to promotional and advertising activities that help promote the County as a strong visitor destination.

Environmentally Sensitive Lands

This fund was established to account for and report proceeds from the Limited General Obligation Bonds, Series 2005. Expenditures in this fund are restricted to acquire environmentally sensitive lands within the County.

Environmentally Sensitive Lands – 2008 Referendum

This fund was established to account for and report proceeds from the .25 mills voter approved ad valorem levy. Expenditures in this fund are restricted to acquire environmentally sensitive lands, recreation areas and water recharge areas within the County.

**FLAGLER COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS AND MAJOR DEBT SERVICE AND CAPITAL PROJECT
FUND DESCRIPTIONS**

SPECIAL REVENUE FUNDS: (continued)

Utility Regulatory Authority

This fund was established to account for and report proceeds from the fee imposed by ordinance to be used by the County to regulate local water and wastewater utilities as per Chapter 367, Florida Statutes. The fee was temporarily reduced to 0% in 2002, rate that remains in effect until amended by the Board.

800 MGHZ Expansion

This fund was established to account for and report proceeds received from the City of Palm Coast for the purpose of future upgrade and expansion of the current 800 MGHZ system.

Transportation Impact Fees – West

This fund was established to account for and report proceeds from impact fees for transportation infrastructure improvements and equipment directly attributable to growth west of the Florida East Coast Railroad right of way.

Transportation Impact Fees – East

This fund was established to account for and report proceeds from impact fees for transportation infrastructure improvements and equipment directly attributable to growth east of the Florida East Coast Railroad right of way.

New Transportation Impact Fees – East

This fund was established to account for and report proceeds from impact fees for transportation infrastructure improvements and equipment directly attributable to growth east of the Florida East Coast Railroad right of way.

Daytona North Service District

This fund was established to account for and report proceeds from a special assessment on benefited property for the maintenance of streets, recreational facilities, and services within the boundaries of the Daytona North Service District.

Park Impact Fees

This fund was established to account for and report proceeds from impact fees for park land acquisition improvements and equipment directly attributed to growth. These fees are collected and expended within four delineated zones within the County. The four zones are accounted for within this fund.

Economic Development

This fund was established to account for and report proceeds from the repayment of CDBG funding. The balance remaining is being expended to fund the County's Economic Development Incentive Program.

State Housing Initiative

This fund was established to account for and report proceeds received from the distribution of State funds to local housing programs.

**FLAGLER COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS AND MAJOR DEBT SERVICE AND CAPITAL PROJECT
FUND DESCRIPTIONS**

SPECIAL REVENUE FUNDS: (continued)

Community Redevelopment Block Grant (CDBG) Neighborhood Stabilization

This fund was established to account for and report proceeds received from grant funding under the Neighborhood Stabilization Program 3 (NSP3). Funds are expended for the acquisition and rehabilitation of eligible foreclosed properties to rent to qualified households.

Bimini Gardens Municipal Service

This fund was established to account for and report proceeds from a special assessment on benefited property for the acquisition, construction, and improvements of roads and related drainage within the Bimini Gardens Service District.

Espanola Mosquito Control

This fund was established to account for and report proceeds from State grant revenues and a special assessment on benefited property for purpose of funding mosquito control services in the Espanola area.

Rima Ridge Mosquito Control

This fund was established to account for and report proceeds from State grant revenues and a special assessment on benefited property for purpose of funding mosquito control services in the Rima Ridge area.

Building Department

This fund was established to account for and report fees collected on building permits issued within the unincorporated area of Flagler County. The fees are used to fund the operations of the Building Department.

Domestic Violence

This fund was established to account for and report proceeds received from the surcharge levied pursuant to the provisions of Section 938.08, Florida Statutes, to be used to defray to costs of incarceration of persons sentenced under Section 741.283, Florida Statutes, and provide additional domestic violence training to law enforcement.

Alcohol and Other Drug Trust Fund

This fund was established to account for and report proceeds received from the fees imposed pursuant to the provisions of Section 893.165, Florida Statutes, to be used to fund local substance abuse programs.

Court Technology

This fund was established to account for and report proceeds received from the recording fee collected pursuant to the provisions of Section 28.24(12)(e)1, Florida Statutes, to be used to fund court related technology.

Juvenile Diversion

This fund was established to account for and report the portion of proceeds received from the fee collected pursuant to the provisions of Section 939.185, Florida Statutes, to be used to fund juvenile programs.

Crime Prevention

This fund was established to account for and report proceeds received from the fee collected pursuant to the provisions of Section 775.083(2), Florida Statutes, to be used to fund crime prevention programs.

**FLAGLER COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS AND MAJOR DEBT SERVICE AND CAPITAL PROJECT
FUND DESCRIPTIONS**

SPECIAL REVENUE FUNDS: (continued)

Court Innovations

This fund was established to account for and report the portion of proceeds received from the fees imposed pursuant to the provisions of Section 939.185, Florida Statutes, to be used to fund innovations to supplement state funding within the state court system.

Teen Court

This fund was established to account for and report the proceeds received from the fees imposed pursuant to the provisions of Section 939.19, Florida Statutes, to be used to fund the operation and administration of a teen court program.

E911

This fund was established to account for and report the 911 fees imposed and collected from local telephone customers and wireless customers. Expenditures are restricted to the establishment and maintenance of 911 emergency services within the County.

North MalaCompra District

This fund was established to account for and report proceeds from a special assessment for drainage improvements and maintenance from the developments in the District to the Intracoastal Waterway.

Court Operations

The Court Operations Fund of the Clerk is used primarily to account for all financial resources that are generated from court operations of the Clerk's Office. Said resources are to be used specifically as noted in FS 28.35(3)(a) and FS 28.37(2).

Clerk Court Technology

The Court Technology Fund of the Clerk is used to account for certain revenues as noted in FS 28.24 that are to be used exclusively for court related functions in accordance with FS 29.008.

Records Modernization

This fund was established to account for certain revenue that is to be held in trust by the Clerk and used exclusively for equipment and maintenance of equipment, personnel training, and technical assistance in modernizing the public records system of the Clerk's Office in accordance with Section 28.24 (12)(d), Florida Statutes.

Federal Equitable Sharing Fund

This fund was established to account for and report resources received under the U.S. Department of Justice's Equitable Sharing program.

Law Enforcement Education Fund

This fund was established to account for and report revenues received pursuant to Section 943.25, Florida Statutes, to be used for expenditures related to law enforcement education.

**FLAGLER COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS AND MAJOR DEBT SERVICE AND CAPITAL PROJECT
FUND DESCRIPTIONS**

SPECIAL REVENUE FUNDS: (continued)

Inmate Welfare

This fund was established to account for and report revenues and expenditures related to the commissary operations of the detention facility.

DEBT SERVICE FUNDS:

Debt service funds are used to account for and report financial resources restricted, committed, or assigned to the expenditures for the payment of principal and interest related to general long-term debt.

NONMAJOR

ESL 2008 Referendum

This fund was established to account for and report ad valorem taxes collected for the repayment of principal and interest associated with the Limited General Obligation Bonds, Series 2009, and Limited General Obligation Bonds, Series 2010, which were issued in August 2009 and October 2010, respectively.

Capital Construction GO Issue

This fund was established to account for and report ad valorem taxes collected for the repayment of principal and interest associated with the General Obligation Bonds, Series 2005, which were issued in September, 2005.

Capital Improvements & Refunding Series 2015

This fund was established to account for and report pledged revenues collected for the repayment of principal and interest associated with the Capital Improvements & Refunding Revenue Bonds, Series 2015, issued in February 2015.

Bond Taxable Special Assessment Revenue Note, Series 2018

This fund was established to account for and report special assessment collected from real property of Painter's Hill Seawall Special Assessment District. This collection is for the repayment of the proceeds of a Taxable Special Assessment Revenue Note, Series 2018, issued in March. These proceeds were used for the construction of a vinyl seawall to protect adjacent homes along the shoreline on this district.

Bond Taxable Special Assessment Revenue Note, Series 2018B

This fund was established to account for and report special assessment collected from real property of Dune Restoration Project Special Assessment District. This collection is for the repayment of the proceeds of a Taxable Special Assessment Revenue Note, Series 2018B, issued in June 2018. These proceeds were used for the installation of an emergency protective berm on this special district.

CAPITAL PROJECTS FUNDS:

Capital projects are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

**FLAGLER COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS AND MAJOR DEBT SERVICE AND CAPITAL PROJECT
FUND DESCRIPTIONS**

CAPITAL PROJECTS FUNDS: (continued)

MAJOR

Capital Projects

This fund was established to account for and report proceeds from the County's ½ Cent Discretionary Sales Tax to be used for the construction, reconstruction, or improvement of public facilities, including but not limited to public safety facilities, roads, bridges and stormwater projects, beach restoration, recreational improvements, and general public infrastructure.

NONMAJOR

Beach Front Parks

This fund was established to account for and report the revenues and expenditures of a contribution received from a developer to be used for capital improvements to the Malacompra Beachfront Park Area.

Park Maintenance Trust

This fund was established to account for and report a \$600,000 developer contribution to be held in an interest bearing trust fund for the maintenance of the Malacompra Beachfront Park Area. The maintenance is to be provided from the interest generated on the Trust Fund. In the event these monies are insufficient in any given year to cover the maintenance costs, up to 10% of the principal may be used to cover these costs.

Capital Improvement Revenue Bonds, Series 2015

This fund was established to account for and report capital projects as authorized under the Capital Improvement Revenue Bonds, Series 2015.

Taxable Special Assessment Revenue Note, Series 2018

This fund was established to account for and report proceeds received from a Taxable Special Assessment Revenue Note, Series 2018, to be used for the construction of a vinyl seawall to protect adjacent homes along the shoreline in Painter's Hill Seawall Special Assessment District.

Taxable Special Assessment Revenue Note, Series 2018B

This fund was established to account for and report proceeds received from a Taxable Special Assessment Revenue Note, Series 2018B, to be used for the installation of an emergency protective berm in Dune Restoration Project Special Assessment District created on December 20, 2017.

Marineland Acres District

This fund was established to account for and report proceeds from a special assessment for drainage improvements and maintenance from individual parcels in this district and carry it to the backbone outfall.

Capital 2008 ESL Referendum

This fund was established to account for and report proceeds received from the Limited General Obligation Bonds, Series 2009 and Series 2010, to be used to fund the acquisition of environmentally sensitive lands within the County.

FLAGLER COUNTY, FLORIDA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

Special Revenue Funds

	County Transportation Trust	Legal Aid	Law Enforcement Trust	Law Library
ASSETS				
Cash and cash equivalents	\$ 63,312	\$ 31,285	\$ 32,862	\$ 14,440
Investments	2,476,294	-	-	-
Accounts receivable	13,717	60	-	29
Due from other funds	59,961	1,201	4,800	1,201
Due from other governments	657,328	-	-	-
Prepaid expenditures	3,680	-	-	-
Total assets	<u>\$ 3,274,292</u>	<u>\$ 32,546</u>	<u>\$ 37,662</u>	<u>\$ 15,670</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 146,971	\$ 22,531	\$ 88	\$ 747
Deposits	48,869	-	-	-
Due to other funds	4,317	9,959	1,577	14,906
Due to other governments	581	-	-	-
Unearned revenue	5,000	-	-	-
Total liabilities	<u>205,738</u>	<u>32,490</u>	<u>1,665</u>	<u>15,653</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Parks and recreation	-	-	-	-
Prepays	3,680	-	-	-
Restricted for				
Bond covenants or debt service	-	-	-	-
Grant programs and projects	-	-	-	-
Federal and state law	3,064,874	56	35,997	17
Capital projects and acquisitions	-	-	-	-
ESL acquisitions	-	-	-	-
Impact fees	-	-	-	-
Other purposes	-	-	-	-
Total fund balances (deficits)	<u>3,068,554</u>	<u>56</u>	<u>35,997</u>	<u>17</u>
Total liabilities and fund balances (deficits)	<u>\$ 3,274,292</u>	<u>\$ 32,546</u>	<u>\$ 37,662</u>	<u>\$ 15,670</u>

Special Revenue Funds (Continued)

Court Facilities	Tourist Development Tax Capital	Tourist Development Tax Promotion	Environmentally Sensitive Lands	Environmentally Sensitive Lands 2008 Referendum	Utility Regulatory Authority
\$ 3,864	\$ 11,593	\$ 31,598	\$ 3,419	\$ 1,096	\$ 21,954
223,049	2,618,910	1,317,641	132,788	1,939,798	-
292	2,704	2,097	141	2,105	45
17,816	43,427	130,289	-	548	-
63	-	-	-	-	-
-	-	25	-	-	-
<u>\$ 245,084</u>	<u>\$ 2,676,634</u>	<u>\$ 1,481,650</u>	<u>\$ 136,348</u>	<u>\$ 1,943,547</u>	<u>\$ 21,999</u>
\$ 19,895	\$ 398	\$ 119,408	\$ 104	\$ 3,893	\$ -
-	-	-	-	-	-
505	4,173	13,359	-	-	-
-	-	17	-	-	-
-	-	-	-	-	-
<u>20,400</u>	<u>4,571</u>	<u>132,784</u>	<u>104</u>	<u>3,893</u>	<u>-</u>
-	-	-	-	-	-
-	-	25	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
224,684	2,672,063	1,348,841	-	-	-
-	-	-	-	-	-
-	-	-	136,244	1,939,654	-
-	-	-	-	-	-
-	-	-	-	-	21,999
<u>224,684</u>	<u>2,672,063</u>	<u>1,348,866</u>	<u>136,244</u>	<u>1,939,654</u>	<u>21,999</u>
<u>\$ 245,084</u>	<u>\$ 2,676,634</u>	<u>\$ 1,481,650</u>	<u>\$ 136,348</u>	<u>\$ 1,943,547</u>	<u>\$ 21,999</u>

FLAGLER COUNTY, FLORIDA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

Special Revenue Funds (Continued)

	800 MGHZ Expansion	Transportation Impact Fees West	Transportation Impact Fees East	New Transportation Impact Fees- East
ASSETS				
Cash and cash equivalents	\$ -	\$ 4,170	\$ 6,321	\$ 3,066
Investments	-	133,135	2,756,243	833,868
Accounts receivable	-	139	2,749	826
Due from other funds	-	-	-	-
Due from other governments	-	-	28,427	-
Total assets	<u>\$ -</u>	<u>\$ 137,444</u>	<u>\$ 2,793,740</u>	<u>\$ 837,760</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ 30	\$ 12,799	\$ 139
Due to other funds	-	-	-	-
Due to other governments	-	-	28,427	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>30</u>	<u>41,226</u>	<u>139</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Parks and recreation	-	-	-	-
Prepays	-	-	-	-
Restricted for				
Bond covenants or debt service	-	-	-	-
Grant programs and projects	-	-	-	-
Federal and state law	-	-	-	-
Capital projects and acquisitions	-	-	-	-
ESL acquisitions	-	-	-	-
Impact fees	-	137,414	2,752,514	837,621
Other purposes	-	-	-	-
Total fund balances (deficits)	<u>-</u>	<u>137,414</u>	<u>2,752,514</u>	<u>837,621</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 137,444</u>	<u>\$ 2,793,740</u>	<u>\$ 837,760</u>

Special Revenue Funds (Continued)

Daytona North Service District	Park Impact Fees	Economic Development	State Housing Initiative	CDBG Neighborhood Stabilization
\$ 11,960	\$ 24,214	\$ 216,518	\$ 575,446	\$ 20,968
597,131	387,927	-	-	-
255	1,494	-	-	-
8,589	-	-	2	-
12,584	3,125	-	-	-
-	-	-	-	-
<u>\$ 630,519</u>	<u>\$ 416,760</u>	<u>\$ 216,518</u>	<u>\$ 575,448</u>	<u>\$ 20,968</u>
\$ 1,050	\$ 57	\$ 219	\$ 2,834	\$ -
3,982	-	-	2,087	-
-	-	-	-	-
-	-	-	273,668	20,968
<u>5,032</u>	<u>57</u>	<u>219</u>	<u>278,589</u>	<u>20,968</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	216,299	296,859	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	416,703	-	-	-
625,487	-	-	-	-
<u>625,487</u>	<u>416,703</u>	<u>216,299</u>	<u>296,859</u>	<u>-</u>
<u>\$ 630,519</u>	<u>\$ 416,760</u>	<u>\$ 216,518</u>	<u>\$ 575,448</u>	<u>\$ 20,968</u>

FLAGLER COUNTY, FLORIDA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

Special Revenue Funds (Continued)

	Bimini Gardens Municipal Service	Espanola Mosquito Control	Rima Ridge Mosquito Control	Building Department	Domestic Violence	Alcohol and Other Drug Trust Fund
ASSETS						
Cash and cash equivalents	\$ 33,292	\$ 33,281	\$ 73,552	\$ 4,316	\$ 7,570	\$ 8,371
Investments	-	-	-	2,019,945	-	-
Accounts receivable	68	40	78	14,012	16	16
Due from other funds	34	16	14	142	477	449
Due from other governments	-	-	-	2,449	-	-
Prepaid expenditures	-	-	-	25	-	-
Total assets	<u>\$ 33,394</u>	<u>\$ 33,337</u>	<u>\$ 73,644</u>	<u>\$ 2,040,889</u>	<u>\$ 8,063</u>	<u>\$ 8,836</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 11	\$ 12	\$ 12	\$ 322,420	\$ -	\$ 11
Due to other funds	59	206	216	2,692	-	-
Due to other governments	-	-	-	10,844	-	-
Unearned revenue	-	8,640	33,421	-	-	-
Total liabilities	<u>70</u>	<u>8,858</u>	<u>33,649</u>	<u>335,956</u>	<u>-</u>	<u>11</u>
FUND BALANCES (DEFICITS)						
Nonspendable						
Parks and recreation	-	-	-	-	-	-
Prepays	-	-	-	25	-	-
Restricted for						
Bond covenants or debt service	-	-	-	-	-	-
Grant programs and projects	-	-	-	-	-	-
Federal and state law	-	-	-	1,704,908	8,063	8,825
Capital projects and acquisitions	-	-	-	-	-	-
ESL acquisitions	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-
Other purposes	33,324	24,479	39,995	-	-	-
Total fund balances (deficits)	<u>33,324</u>	<u>24,479</u>	<u>39,995</u>	<u>1,704,933</u>	<u>8,063</u>	<u>8,825</u>
Total liabilities and fund balances (deficits)	<u>\$ 33,394</u>	<u>\$ 33,337</u>	<u>\$ 73,644</u>	<u>\$ 2,040,889</u>	<u>\$ 8,063</u>	<u>\$ 8,836</u>

Special Revenue Funds (Continued)

Court Technology	Juvenile Diversion	Crime Prevention	Court Innovations	Teen Court	E-911
\$ 4,628	\$ 7,172	\$ 5,109	\$ 31,259	\$ 45,256	\$ 97,944
843,632	-	87,938	-	-	460,548
888	13	135	93	99	543
23,374	1,217	1,941	34,457	1,856	3
-	-	-	-	-	12,266
-	-	-	-	-	12,848
<u>\$ 872,522</u>	<u>\$ 8,402</u>	<u>\$ 95,123</u>	<u>\$ 65,809</u>	<u>\$ 47,211</u>	<u>\$ 584,152</u>
\$ 15,756	\$ -	\$ 30	\$ 9,348	\$ 1,123	\$ 2,892
101	8,389	15,000	-	-	506
1,437	-	-	-	-	35
-	-	-	-	-	-
<u>17,294</u>	<u>8,389</u>	<u>15,030</u>	<u>9,348</u>	<u>1,123</u>	<u>3,433</u>
-	-	-	-	-	-
-	-	-	-	-	12,848
-	-	-	-	-	-
-	-	-	-	-	-
855,228	13	80,093	56,461	46,088	567,871
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>855,228</u>	<u>13</u>	<u>80,093</u>	<u>56,461</u>	<u>46,088</u>	<u>580,719</u>
<u>\$ 872,522</u>	<u>\$ 8,402</u>	<u>\$ 95,123</u>	<u>\$ 65,809</u>	<u>\$ 47,211</u>	<u>\$ 584,152</u>

FLAGLER COUNTY, FLORIDA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

Special Revenue Funds (Continued)

	North Malacompra District	Court Operations	Clerk Court Technology	Records Modernization	Federal Equitable Sharing Fund
ASSETS					
Cash and cash equivalents	\$ 14,213	\$ 348,517	\$ 259,747	\$ 257,965	\$ 289
Investments	92,086	-	-	-	-
Accounts receivable	120	1,890	371	319	-
Due from other funds	198	1,189	-	-	-
Due from other governments	-	49,129	578	215	-
Prepaid expenditures	-	32,670	2,471	824	-
Other assets	-	2,975	-	-	-
Total assets	<u>\$ 106,617</u>	<u>\$ 436,370</u>	<u>\$ 263,167</u>	<u>\$ 259,323</u>	<u>\$ 289</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 25	\$ 27,846	\$ 1,435	\$ 24	\$ -
Deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	375,854	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>25</u>	<u>403,700</u>	<u>1,435</u>	<u>24</u>	<u>-</u>
FUND BALANCES (DEFICITS)					
Nonspendable					
Parks and recreation	-	-	-	-	-
Prepays	-	32,670	2,471	824	-
Restricted for					
Bond covenants or debt service	-	-	-	-	-
Grant programs and projects	-	-	-	-	-
Federal and state law	-	-	259,261	258,475	289
Capital projects and acquisitions	-	-	-	-	-
ESL acquisitions	-	-	-	-	-
Impact fees	-	-	-	-	-
Other purposes	106,592	-	-	-	-
Total fund balances (deficits)	<u>106,592</u>	<u>32,670</u>	<u>261,732</u>	<u>259,299</u>	<u>289</u>
Total liabilities and fund balances (deficits)	<u>\$ 106,617</u>	<u>\$ 436,370</u>	<u>\$ 263,167</u>	<u>\$ 259,323</u>	<u>\$ 289</u>

Special Revenue Funds (Continued)

Debt Service Funds

Law Enforcement Education	Inmate Welfare	Total	ESL 2008 Referendum
\$ 7,427	\$ 120,629	\$ 2,438,623	\$ 3,877
-	-	16,920,933	1,159,159
-	10,835	56,189	1,186
-	-	333,201	1,042
-	-	766,164	-
-	-	52,543	-
-	-	2,975	-
<u>\$ 7,427</u>	<u>\$ 131,464</u>	<u>\$ 20,570,628</u>	<u>\$ 1,165,264</u>
\$ -	\$ 649	\$ 712,757	\$ 315
-	-	48,869	-
-	6,159	88,193	-
-	-	417,195	-
-	-	341,697	-
<u>-</u>	<u>6,808</u>	<u>1,608,711</u>	<u>315</u>
-	-	-	-
-	-	52,543	-
-	-	-	1,164,949
-	-	513,158	-
7,427	124,656	11,324,190	-
-	-	-	-
-	-	2,075,898	-
-	-	4,144,252	-
-	-	851,876	-
<u>7,427</u>	<u>124,656</u>	<u>18,961,917</u>	<u>1,164,949</u>
<u>\$ 7,427</u>	<u>\$ 131,464</u>	<u>\$ 20,570,628</u>	<u>\$ 1,165,264</u>

FLAGLER COUNTY, FLORIDA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

Debt Service Funds (Continued)					
	Capital Construction GO Issue	Capital Improvements & Refunding Series 2015	Bond-Taxable Special Assessment Revenue Note, Series 2018	Bond-Taxable Special Assessment Revenue Note, Series 2018B	Total
ASSETS					
Cash and cash equivalents	\$ 3,822	\$ 243,653	\$ 268	\$ 4,161	\$ 255,781
Investments	743,923	2,760,232	562	30,828	4,694,704
Accounts receivable	813	3,800	5	42	5,846
Due from other funds	1,581	-	33	196	2,852
Due from other governments	-	271,249	-	-	271,249
Total assets	<u>\$ 750,139</u>	<u>\$ 3,278,934</u>	<u>\$ 868</u>	<u>\$ 35,227</u>	<u>\$ 5,230,432</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 207	\$ 432	\$ 14	18	\$ 986
Due to other funds	-	-	-	-	-
Total liabilities	<u>207</u>	<u>432</u>	<u>14</u>	<u>18</u>	<u>986</u>
FUND BALANCES (DEFICITS)					
Nonspendable					
Parks and recreation	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted for					
Bond covenants or debt service	749,932	3,278,502	854	-	5,194,237
Grant programs and projects	-	-	-	-	-
Federal and state law	-	-	-	-	-
Capital projects and acquisitions	-	-	-	35,209	35,209
ESL acquisitions	-	-	-	-	-
Impact fees	-	-	-	-	-
Other purposes	-	-	-	-	-
Total fund balances (deficits)	<u>749,932</u>	<u>3,278,502</u>	<u>854</u>	<u>35,209</u>	<u>5,229,446</u>
Total liabilities and fund balances (deficits)	<u>\$ 750,139</u>	<u>\$ 3,278,934</u>	<u>\$ 868</u>	<u>\$ 35,227</u>	<u>\$ 5,230,432</u>

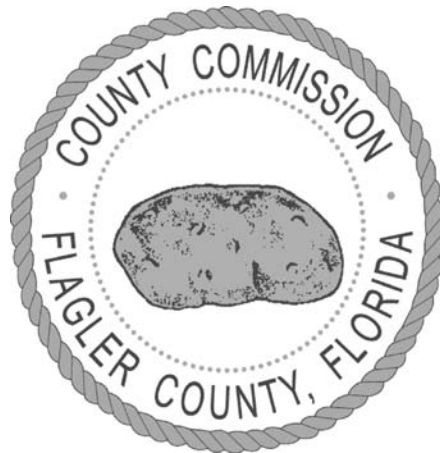
Capital Projects Funds

Beach Front Parks	Park Maintenance Trust	Capital Improvement Revenue Bonds Series 2015	CPF - Taxable Special Assessment Revenue Note, Series 2018	CPF - Taxable Special Assessment Revenue Note, Series 2018B
\$ 5,342	\$ 8,472	\$ 4,391	\$ 1,265	\$ 2,007
403,013	787,332	810,488	-	399,282
415	837	826	-	1,098
-	-	-	10,762	-
-	-	-	-	-
<u>\$ 408,770</u>	<u>\$ 796,641</u>	<u>\$ 815,705</u>	<u>\$ 12,027</u>	<u>\$ 402,387</u>
\$ 80	\$ 152	\$ 150	\$ -	\$ 650
-	-	-	12,027	340,481
80	152	150	12,027	341,131
-	540,000	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
408,690	-	815,555	-	61,256
-	-	-	-	-
-	-	-	-	-
-	256,489	-	-	-
408,690	796,489	815,555	-	61,256
<u>\$ 408,770</u>	<u>\$ 796,641</u>	<u>\$ 815,705</u>	<u>\$ 12,027</u>	<u>\$ 402,387</u>

FLAGLER COUNTY, FLORIDA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

Capital Projects Funds (Continued)

	Marineland Acres District	Capital ESL 2008 Referendum	Total	Total Non-Major Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 4,097	\$ 2,790	\$ 28,364	\$ 2,722,768
Cash with fiscal agent	-	24,163	24,163	24,163
Investments	360,473	2,000,813	4,761,401	26,377,038
Accounts receivable	386	1,967	5,529	67,564
Due from other funds	674	36,874	48,310	384,363
Due from other governments	-	4,233	4,233	1,041,646
Prepaid expenditures	-	-	-	52,543
Other assets	-	-	-	2,975
Total assets	<u>\$ 365,630</u>	<u>\$ 2,070,840</u>	<u>\$ 4,872,000</u>	<u>\$ 30,673,060</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 12,828	\$ 636,334	\$ 650,194	\$ 1,363,937
Deposits	-	-	-	48,869
Due to other funds	-	-	352,508	440,701
Due to other governments	-	-	-	417,195
Unearned revenue	-	703,434	703,434	1,045,131
Total liabilities	<u>12,828</u>	<u>1,339,768</u>	<u>1,706,136</u>	<u>3,315,833</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Parks and recreation	-	-	540,000	540,000
Prepays	-	-	-	52,543
Restricted for				
Bond covenants or debt service	-	-	-	5,194,237
Grant programs and projects	-	-	-	513,158
Federal and state law	-	-	-	11,324,190
Capital projects and acquisitions	352,802	-	1,638,303	1,673,512
ESL acquisitions	-	731,072	731,072	2,806,970
Impact fees	-	-	-	4,144,252
Other purposes	-	-	256,489	1,108,365
Total fund balances (deficits)	<u>352,802</u>	<u>731,072</u>	<u>3,165,864</u>	<u>27,357,227</u>
Total liabilities and fund balances (deficits)	<u>\$ 365,630</u>	<u>\$ 2,070,840</u>	<u>\$ 4,872,000</u>	<u>\$ 30,673,060</u>



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

	Special Revenue Funds			
	County Transportation Trust	Legal Aid	Law Enforcement Trust	Law Library
REVENUES				
Taxes	\$ 949,643	\$ -	\$ -	\$ -
Intergovernmental	1,353,692	-	-	-
Charges for services	769,052	-	-	-
Fines and forfeitures	-	18,672	6,224	18,630
Miscellaneous revenue	30,927	-	-	-
Investment income	44,374	197	418	92
Total revenues	<u>3,147,688</u>	<u>18,869</u>	<u>6,642</u>	<u>18,722</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	31,009	-
Physical environment	-	-	-	-
Transportation	2,545,104	-	-	-
Economic environment	-	-	-	-
Human services	-	45,070	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	8,849
Capital Outlay	6,476	-	-	-
Debt service				
Principal retirement	39,911	-	-	-
Interest and fiscal charges	3,637	-	-	-
Other debt service costs	-	-	-	-
Total expenditures	<u>2,595,128</u>	<u>45,070</u>	<u>31,009</u>	<u>8,849</u>
Excess (deficiency) of revenues over expenditures	<u>552,560</u>	<u>(26,201)</u>	<u>(24,367)</u>	<u>9,873</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	25,406	-	-
Transfers out	-	(9,959)	-	(17,764)
Total other financing sources (uses)	<u>-</u>	<u>15,447</u>	<u>-</u>	<u>(17,764)</u>
Net change in fund balances	552,560	(10,754)	(24,367)	(7,891)
Fund balances-beginning	<u>2,515,994</u>	<u>10,810</u>	<u>60,364</u>	<u>7,908</u>
Fund balances-ending	<u>\$ 3,068,554</u>	<u>\$ 56</u>	<u>\$ 35,997</u>	<u>\$ 17</u>

Special Revenue Funds (Continued)

Court Facilities	Tourist Development Tax Capital	Tourist Development Tax Promotion	Environmentally Sensitive Lands	Environmentally Sensitive Lands 2008 Referendum	Utility Regulatory Authority
\$ -	\$ 382,965	\$ 1,646,833	\$ -	\$ 924,149	\$ -
63	-	-	-	-	-
-	-	-	-	-	-
214,914	-	-	-	-	-
3,162	-	-	-	-	-
5,580	61,265	31,077	3,348	44,837	159
<u>223,719</u>	<u>444,230</u>	<u>1,677,910</u>	<u>3,348</u>	<u>968,986</u>	<u>159</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	429	7,298	-
-	-	-	-	-	-
-	-	1,700,737	-	-	-
-	-	-	-	-	-
-	16,488	-	-	-	-
268,076	-	-	-	-	-
-	12,760	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>268,076</u>	<u>29,248</u>	<u>1,700,737</u>	<u>429</u>	<u>7,298</u>	<u>-</u>
<u>(44,357)</u>	<u>414,982</u>	<u>(22,827)</u>	<u>2,919</u>	<u>961,688</u>	<u>159</u>
-	4,319	12,956	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>4,319</u>	<u>12,956</u>	<u>-</u>	<u>-</u>	<u>-</u>
(44,357)	419,301	(9,871)	2,919	961,688	159
<u>269,041</u>	<u>2,252,762</u>	<u>1,358,737</u>	<u>133,325</u>	<u>977,966</u>	<u>21,840</u>
<u>\$ 224,684</u>	<u>\$ 2,672,063</u>	<u>\$ 1,348,866</u>	<u>\$ 136,244</u>	<u>\$ 1,939,654</u>	<u>\$ 21,999</u>

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

Special Revenue Funds (Continued)

	800 MGHZ Expansion	Transportation Impact Fees West	Transportation Impact Fees East	New Transportation Impact Fees- East
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments/Impact fees	-	-	-	-
Intergovernmental	900,000	-	28,427	-
Miscellaneous revenue	-	-	-	-
Investment income	8,287	3,352	69,898	20,838
Total revenues	908,287	3,352	98,325	20,838
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	1,489	-	-	-
Physical environment	-	-	-	-
Transportation	-	118	40,147	515
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	-	-	-	-
Capital Outlay	939,316	-	72,580	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Other debt service costs	-	-	-	-
Total expenditures	940,805	118	112,727	515
Excess (deficiency) of revenues over expenditures	(32,518)	3,234	(14,402)	20,323
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Net change in fund balances	(32,518)	3,234	(14,402)	20,323
Fund balances-beginning	32,518	134,180	2,766,916	817,298
Fund balances-ending	\$ -	\$ 137,414	\$ 2,752,514	\$ 837,621

Special Revenue Funds (Continued)

Daytona North Service District	Park Impact Fees	Economic Development	State Housing Initiative	CDBG Neighborhood Stabilization
\$ 77,340	\$ -	\$ -	\$ -	\$ -
260,687	109,187	-	-	-
-	-	-	322,441	-
-	-	-	51,146	-
23,602	8,826	2,166	6,095	-
361,629	118,013	2,166	379,682	-
27,056	-	-	-	-
-	-	-	-	-
-	-	-	-	-
586,351	-	-	-	-
-	-	15,892	322,137	-
-	-	-	-	-
-	165	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
613,407	165	15,892	322,137	-
(251,778)	117,848	(13,726)	57,545	-
1,367	-	-	57,249	-
(250,411)	117,848	(13,726)	114,794	-
875,898	298,855	230,025	182,065	-
\$ 625,487	\$ 416,703	\$ 216,299	\$ 296,859	\$ -

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

Special Revenue Funds (Continued)

	Bimini Gardens Municipal Service	Espanola Mosquito Control	Rima Ridge Mosquito Control	Building Department	Domestic Violence	Alcohol and Other Drug Trust Fund
REVENUES						
Special assessments/Impact fees	\$ 5,495	\$ 1,351	\$ 2,436	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	1,021,047	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	2,360	-	-
Fines and forfeitures	-	-	-	9,156	11,212	4,350
Miscellaneous revenue	-	-	-	1,601	-	-
Investment income	234	140	272	50,980	107	47
Total revenues	5,729	1,491	2,708	1,085,144	11,319	4,397
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	894,532	-	-
Physical environment	-	-	-	-	-	-
Transportation	218	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	290	322	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	-	-	-	-	49
Capital Outlay	-	-	-	321,110	-	-
Debt service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Other debt service costs	-	-	-	-	-	-
Total expenditures	218	290	322	1,215,642	-	49
Excess (deficiency) of revenues over expenditures	5,511	1,201	2,386	(130,498)	11,319	4,348
OTHER FINANCING SOURCES (USES)						
Transfers in	29	7	13	-	-	-
Transfers out	-	-	-	-	(16,800)	-
Total other financing sources (uses)	29	7	13	-	(16,800)	-
Net change in fund balances	5,540	1,208	2,399	(130,498)	(5,481)	4,348
Fund balances-beginning	27,784	23,271	37,596	1,835,431	13,544	4,477
Fund balances-ending	<u>\$ 33,324</u>	<u>\$ 24,479</u>	<u>\$ 39,995</u>	<u>\$ 1,704,933</u>	<u>\$ 8,063</u>	<u>\$ 8,825</u>

Special Revenue Funds (Continued)

Court Technology	Juvenile Diversion	Crime Prevention	Court Innovations	Teen Court	E-911
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	596,355
-	-	-	-	-	50
266,636	18,657	28,697	18,656	23,204	-
-	-	-	-	-	95
19,898	84	1,868	414	388	11,696
<u>286,534</u>	<u>18,741</u>	<u>30,565</u>	<u>19,070</u>	<u>23,592</u>	<u>608,196</u>
-	-	-	-	-	-
-	-	2,625	-	-	421,335
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
168,757	-	-	127,123	50,687	-
12,670	-	-	-	-	28,971
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>181,427</u>	<u>-</u>	<u>2,625</u>	<u>127,123</u>	<u>50,687</u>	<u>450,306</u>
<u>105,107</u>	<u>18,741</u>	<u>27,940</u>	<u>(108,053)</u>	<u>(27,095)</u>	<u>157,890</u>
-	-	-	159,702	51,023	-
-	(25,221)	(15,000)	-	-	-
-	(25,221)	(15,000)	159,702	51,023	-
105,107	(6,480)	12,940	51,649	23,928	157,890
<u>750,121</u>	<u>6,493</u>	<u>67,153</u>	<u>4,812</u>	<u>22,160</u>	<u>422,829</u>
<u>\$ 855,228</u>	<u>\$ 13</u>	<u>\$ 80,093</u>	<u>\$ 56,461</u>	<u>\$ 46,088</u>	<u>\$ 580,719</u>

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

	Special Revenue Funds				
	North Malacompra District	Court Operations	Clerk Court Technology	Records Modernization	Federal Equitable Sharing Fund
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments/Impact fees	35,191	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	346,458	-	-	-
Charges for services	-	1,469,180	253,304	86,576	-
Fines and forfeitures	-	245,379	-	-	-
Miscellaneous revenue	-	297	-	-	-
Investment income	2,322	11,757	1,119	892	-
Total revenues	37,513	2,073,071	254,423	87,468	-
EXPENDITURES					
Current					
General government	-	-	-	33,367	-
Public safety	-	-	-	-	2,888
Physical environment	796	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Court related	-	2,073,071	260,776	-	-
Capital Outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Other debt service costs	-	-	-	-	-
Total expenditures	796	2,073,071	260,776	33,367	2,888
Excess (deficiency) of revenues over expenditures	36,717	-	(6,353)	54,101	(2,888)
OTHER FINANCING SOURCES (USES)					
Transfers in	185	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	185	-	-	-	-
Net change in fund balances	36,902	-	(6,353)	54,101	(2,888)
Fund balances-beginning	69,690	32,670	268,085	205,198	3,177
Fund balances-ending	\$ 106,592	\$ 32,670	\$ 261,732	\$ 259,299	\$ 289

Special Revenue Funds (Continued)			Debt Service Funds
Law Enforcement Education	Inmate Welfare	Total	ESL 2008 Referendum
\$ -	\$ -	\$ 3,980,930	\$ 1,124,414
-	-	414,347	-
-	-	1,021,047	-
-	-	3,547,436	-
7,000	136,982	2,724,504	-
-	-	884,387	-
-	-	87,228	-
-	-	436,629	39,632
7,000	136,982	13,096,508	1,164,046
-	-	60,423	-
7,000	74,917	1,435,795	-
-	-	8,523	-
-	-	3,172,453	-
-	-	2,038,766	-
-	-	45,682	-
-	-	16,653	-
-	-	2,957,388	-
-	-	1,393,883	-
-	-	-	-
-	-	39,911	905,000
-	-	3,637	260,099
-	-	-	1,560
7,000	74,917	11,173,114	1,166,659
-	62,065	1,923,394	(2,613)
-	-	312,256	-
-	-	(84,744)	-
-	-	227,512	-
-	62,065	2,150,906	(2,613)
7,427	62,591	16,811,011	1,167,562
\$ 7,427	\$ 124,656	\$ 18,961,917	\$ 1,164,949

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

Debt Service Funds (Continued)

	Capital Construction GO Issue	Capital Improvements & Refunding Series 2015	Bond-Taxable Special Assessment Revenue Note, Series 2018	Bond-Taxable Special Assessment Revenue Note, Series 2018B	Total
REVENUES					
Taxes	\$ 2,007,616	\$ 185,121	\$ -	\$ -	\$ 3,317,151
Special assessments/Impact fees	-	-	117,140	710,777	827,917
Intergovernmental	-	2,740,129	-	-	2,740,129
Investment income	28,719	51,009	1,077	6,304	126,741
Total revenues	2,036,335	2,976,259	118,217	717,081	7,011,938
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Court related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt service					
Principal retirement	975,000	1,275,000	311,000	555,000	4,021,000
Interest and fiscal charges	816,136	1,680,600	76,690	126,635	2,960,160
Other debt service costs	1,961	2,187	87	237	6,032
Total expenditures	1,793,097	2,957,787	387,777	681,872	6,987,192
Excess (deficiency) of revenues over expenditures	243,238	18,472	(269,560)	35,209	24,746
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	270,414	-	270,414
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	270,414	-	270,414
Net change in fund balances	243,238	18,472	854	35,209	295,160
Fund balances-beginning	506,694	3,260,030	-	-	4,934,286
Fund balances-ending	\$ 749,932	\$ 3,278,502	\$ 854	\$ 35,209	\$ 5,229,446

Capital Projects Funds

Beach Front Parks	Park Maintenance Trust	Capital Improvement Revenue Bonds Series 2015	CPF-Taxable Special Assessment Revenue Note, Series 2018	CPF-Taxable Special Assessment Revenue Note, Series 2018B
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
10,118	19,668	20,337	3,333	82,119
10,118	19,668	20,337	3,333	82,119
-	-	546	-	-
-	-	-	-	-
-	-	-	2,431	343,117
-	-	-	-	-
-	-	-	-	-
290	1,154	-	-	-
-	-	-	-	-
-	-	26,713	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
290	1,154	27,259	2,431	343,117
9,828	18,514	(6,922)	902	(260,998)
-	-	-	10,762	-
-	-	-	(270,414)	-
-	-	-	(259,652)	-
9,828	18,514	(6,922)	(258,750)	(260,998)
398,862	777,975	822,477	258,750	322,254
\$ 408,690	\$ 796,489	\$ 815,555	\$ -	\$ 61,256

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

Capital Projects Funds (Continued)

	Marineland Acres District	Capital ESL 2008 Referendum	Total	Total Non-Major Governmental Funds
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 7,298,081
Special assessments/Impact fees	120,593	-	120,593	1,362,857
Licenses and permits	-	-	-	1,021,047
Intergovernmental	-	1,680,003	1,680,003	7,967,568
Charges for services	-	-	-	2,724,504
Fines and forfeitures	-	-	-	884,387
Miscellaneous revenue	-	-	-	87,228
Investment income	8,632	62,687	206,894	770,264
Total revenues	129,225	1,742,690	2,007,490	22,115,936
EXPENDITURES				
Current				
General government	2,412	-	2,958	63,381
Public safety	-	-	-	1,435,795
Physical environment	-	5,242	350,790	359,313
Transportation	304	-	304	3,172,757
Economic environment	-	-	-	2,038,766
Human services	-	-	-	45,682
Culture and recreation	-	1,901	3,345	19,998
Court related	-	-	-	2,957,388
Capital Outlay	12,735	1,638,896	1,678,344	3,072,227
Debt service				
Principal retirement	-	-	-	4,060,911
Interest and fiscal charges	-	-	-	2,963,797
Other debt service costs	-	-	-	6,032
Total expenditures	15,451	1,646,039	2,035,741	20,196,047
Excess (deficiency) of revenues over expenditures	113,774	96,651	(28,251)	1,919,889
OTHER FINANCING SOURCES (USES)				
Transfers in	632	-	11,394	594,064
Transfers out	-	-	(270,414)	(355,158)
Total other financing sources (uses)	632	-	(259,020)	238,906
Net change in fund balances	114,406	96,651	(287,271)	2,158,795
Fund balances-beginning	238,396	634,421	3,453,135	25,198,432
Fund balances-ending	\$ 352,802	\$ 731,072	\$ 3,165,864	\$ 27,357,227

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- COUNTY TRANSPORTATION TRUST
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	\$ 958,840	\$ 958,840	\$ 949,643	\$ (9,197)
Intergovernmental	862,602	1,380,404	1,353,692	(26,712)
Charges for services	485,749	485,749	769,052	283,303
Miscellaneous revenue	5,300	5,300	30,927	25,627
Investment income	2,500	2,500	44,374	41,874
Total revenues	2,314,991	2,832,793	3,147,688	314,895
EXPENDITURES				
Current				
Public works	3,737,208	4,267,251	2,545,104	1,722,147
Capital outlay	-	7,200	6,476	724
Debt Service				
Principal retirement	40,043	40,043	39,911	132
Interest and fiscal charges	3,650	3,650	3,637	13
Total expenditures	3,780,901	4,318,144	2,595,128	1,723,016
Excess (deficiency) of revenues over expenditures	(1,465,910)	(1,485,351)	552,560	2,037,911
OTHER FINANCING SOURCES (USES)				
Transfers out	(19,441)	-	-	-
Net change in fund balances	(1,485,351)	(1,485,351)	552,560	2,037,911
Fund balances-beginning	1,485,351	1,485,351	2,515,994	1,030,643
Fund balances-ending	\$ -	\$ -	\$ 3,068,554	\$ 3,068,554

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- LEGAL AID
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 14,800	\$ 18,672	\$ 18,672	\$ -
Investment income	75	136	197	61
Total revenues	14,875	18,808	18,869	61
EXPENDITURES				
Current				
Legal aid	45,314	45,314	45,070	244
Excess (deficiency) of revenues over expenditures	(30,439)	(26,506)	(26,201)	305
OTHER FINANCING SOURCES (USES)				
Transfers in	25,406	25,406	25,406	-
Transfers out	-	(9,960)	(9,959)	1
Total other financing sources (uses)	25,406	15,446	15,447	1
Net change in fund balances	(5,033)	(11,060)	(10,754)	306
Fund balances-beginning	5,033	11,060	10,810	(250)
Fund balances-ending	\$ -	\$ -	\$ 56	\$ 56

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- LAW ENFORCEMENT TRUST
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 6,224	\$ (3,776)
Investment income	100	100	418	318
Total revenues	10,100	10,100	6,642	(3,458)
EXPENDITURES				
Current				
Public safety	89,072	89,072	31,009	58,063
Excess (deficiency) of revenues over expenditures	(78,972)	(78,972)	(24,367)	54,605
Fund balances-beginning	78,972	78,972	60,364	(18,608)
Fund balances-ending	\$ -	\$ -	\$ 35,997	\$ 35,997

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- LAW LIBRARY
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 14,000	\$ 18,630	\$ 18,630	\$ -
Investment income	20	63	92	29
Total revenues	14,020	18,693	18,722	29
EXPENDITURES				
Current				
Public library	12,150	8,838	8,849	(11)
Excess (deficiency) of revenues over expenditures	1,870	9,855	9,873	18
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,859)	(17,766)	(17,764)	2
Net change in fund balances	(989)	(7,911)	(7,891)	20
Fund balances-beginning	989	7,911	7,908	(3)
Fund balances-ending	\$ -	\$ -	\$ 17	\$ 17

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- COURT FACILITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ 187,500	\$ 187,500	\$ 63	\$ (187,437)
Fines and forfeitures	177,000	177,000	214,914	37,914
Miscellaneous revenue	-	-	3,162	3,162
Investment income	5,025	5,025	5,580	555
Total revenues	369,525	369,525	223,719	(145,806)
EXPENDITURES				
Current				
Judiciary	318,832	328,832	268,076	60,756
Capital Outlay	250,000	240,000	-	240,000
Total expenditures	568,832	568,832	268,076	300,756
Excess (deficiency) of revenues over expenditures	(199,307)	(199,307)	(44,357)	154,950
Fund balances-beginning	199,307	199,307	269,041	69,734
Fund balances-ending	\$ -	\$ -	\$ 224,684	\$ 224,684

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- TOURIST DEVELOPMENT TAX- CAPITAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	\$ 360,000	\$ 360,000	\$ 382,965	\$ 22,965
Investment income	15,000	15,000	61,265	46,265
Total revenues	375,000	375,000	444,230	69,230
EXPENDITURES				
Current				
Tourist development	2,460,264	2,460,264	29,248	\$ 2,431,016
Excess (deficiency) of revenues over expenditures	(2,085,264)	(2,085,264)	414,982	2,500,246
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	4,319	4,319
Net change in fund balances	(2,085,264)	(2,085,264)	419,301	2,504,565
Fund balances-beginning	2,085,264	2,085,264	2,252,762	167,498
Fund balances-ending	\$ -	\$ -	\$ 2,672,063	\$ 2,672,063

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- TOURIST DEVELOPMENT TAX - PROMOTION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Taxes	\$ 1,620,000	\$ 1,620,000	\$ 1,646,833	\$ 26,833
Investment income	8,000	8,000	31,077	23,077
Total revenues	<u>1,628,000</u>	<u>1,628,000</u>	<u>1,677,910</u>	<u>49,910</u>
EXPENDITURES				
Current				
Tourist development	<u>2,419,146</u>	<u>2,419,146</u>	<u>1,700,737</u>	<u>\$ 718,409</u>
Excess (deficiency) of revenues over expenditures	(791,146)	(791,146)	(22,827)	768,319
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>12,956</u>	<u>12,956</u>
Net change in fund balance	(791,146)	(791,146)	(9,871)	781,275
Fund balances-beginning	<u>791,146</u>	<u>791,146</u>	<u>1,358,737</u>	<u>567,591</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,348,866</u>	<u>\$ 1,348,866</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- ENVIRONMENTALLY SENSITIVE LANDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Investment income	\$ 1,000	\$ 1,000	\$ 3,348	\$ 2,348
EXPENDITURES				
Current				
Land management	128,181	128,181	429	127,752
Excess (deficiency) of revenues over expenditures	(127,181)	(127,181)	2,919	130,100
Fund balances-beginning	127,181	127,181	133,325	6,144
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,244</u>	<u>\$ 136,244</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- ENVIRONMENTALLY SENSITIVE LANDS - 2008 REFERENDUM
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	\$ 959,001	\$ 959,001	\$ 924,149	\$ (34,852)
Investment income	3,000	3,000	44,837	41,837
Total revenues	962,001	962,001	968,986	6,985
EXPENDITURES				
Current				
Land management	1,878,846	1,878,846	7,298	1,871,548
Excess (deficiency) of revenues over expenditures	(916,845)	(916,845)	961,688	1,878,533
Fund balances-beginning	916,845	916,845	977,966	61,121
Fund balances-ending	\$ -	\$ -	\$ 1,939,654	\$ 1,939,654

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- UTILITY REGULATORY AUTHORITY
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Investment income	\$ 50	\$ 50	\$ 159	\$ 109
EXPENDITURES				
Current				
Physical environment	21,883	21,883	-	21,883
Excess (deficiency) of revenues over expenditures	(21,833)	(21,833)	159	21,992
Fund balances-beginning	21,833	21,833	21,840	7
Fund balances-ending	\$ -	\$ -	\$ 21,999	\$ 21,999

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- 800 MGHZ EXPANSION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 900,000	\$ 900,000
Investment income	1,000	1,000	8,287	7,287
Total revenues	1,000	1,000	908,287	907,287
EXPENDITURES				
Current				
Public safety	1,000	2,210	1,489	721
Capital outlay	1,519,274	1,518,064	939,316	578,748
Total expenditures	1,520,274	1,520,274	940,805	579,469
Excess (deficiency) of revenues over expenditures	(1,519,274)	(1,519,274)	(32,518)	1,486,756
Fund balances-beginning	1,519,274	1,519,274	32,518	(1,486,756)
Fund balances-ending	\$ -	\$ -	\$ -	\$ -

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- TRANSPORTATION IMPACT FEES- WEST
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Investment income	\$ 300	\$ 300	\$ 3,352	\$ 3,052
EXPENDITURES				
Current				
Transportation	132,878	132,878	118	132,760
Excess (deficiency) of revenues over expenditures	(132,578)	(132,578)	3,234	135,812
Fund balances-beginning	132,578	132,578	134,180	1,602
Fund balances-ending	\$ -	\$ -	\$ 137,414	\$ 137,414

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- TRANSPORTATION IMPACT FEES EAST
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 28,427	\$ 28,427
Investment income	5,000	5,000	69,898	64,898
Total revenues	5,000	5,000	98,325	93,325
EXPENDITURES				
Current				
Transportation	2,725,002	2,650,002	40,147	2,609,855
Capital outlay	-	75,000	72,580	2,420
Total expenditures	2,725,002	2,725,002	112,727	2,612,275
Excess (deficiency) of revenues over expenditures	(2,720,002)	(2,720,002)	(14,402)	2,705,600
Fund balances-beginning	2,720,002	2,720,002	2,766,916	46,914
Fund balances-ending	\$ -	\$ -	\$ 2,752,514	\$ 2,752,514

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- NEW TRANSPORTATION IMPACT FEES- EAST
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Investment income	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 20,838</u>	<u>\$ 17,838</u>
EXPENDITURES				
Current				
Transportation	<u>810,373</u>	<u>810,373</u>	<u>515</u>	<u>809,858</u>
Excess (deficiency) of revenues over expenditures	<u>(807,373)</u>	<u>(807,373)</u>	<u>20,323</u>	<u>827,696</u>
Fund balances-beginning	<u>807,373</u>	<u>807,373</u>	<u>817,298</u>	<u>9,925</u>
Fund balances-ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 837,621</u></u>	<u><u>\$ 837,621</u></u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- DAYTONA NORTH SERVICE DISTRICT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Taxes	\$ 78,057	\$ 78,057	\$ 77,340	\$ (717)
Special assessments	260,000	260,000	260,687	687
Investment income	3,100	3,100	23,602	20,502
	<u>341,157</u>	<u>341,157</u>	<u>361,629</u>	<u>20,472</u>
EXPENDITURES				
Current				
Public works	1,142,985	1,142,985	613,407	529,578
Excess (deficiency) of revenues over expenditures	(801,828)	(801,828)	(251,778)	550,050
OTHER FINANCING SOURCES (USES)				
Transfers in	1,500	1,500	1,367	(133)
Net change in fund balances	(800,328)	(800,328)	(250,411)	549,917
Fund balances-beginning	800,328	800,328	875,898	75,570
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 625,487</u>	<u>\$ 625,487</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- PARK IMPACT FEES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Special assessments	\$ 46,000	\$ 46,000	\$ 109,187	\$ 63,187
Investment income	290	290	8,826	8,536
Total revenues	46,290	46,290	118,013	71,723
EXPENDITURES				
Current				
Recreation	258,451	163,668	165	163,503
Capital outlay	48,838	143,621	-	143,621
Total expenditures	307,289	307,289	165	307,124
Excess (deficiency) of revenues over expenditures	(260,999)	(260,999)	117,848	378,847
Fund balances-beginning	260,999	260,999	298,855	37,856
Fund balances-ending	\$ -	\$ -	\$ 416,703	\$ 416,703

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- ECONOMIC DEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Investment income	\$ 175	\$ 175	\$ 2,166	\$ 1,991
EXPENDITURES				
Current				
CDBG grant	229,512	229,512	15,892	213,620
Excess (deficiency) of revenues over expenditures	(229,337)	(229,337)	(13,726)	215,611
Fund balances-beginning	229,337	229,337	230,025	688
Fund balances-ending	\$ -	\$ -	\$ 216,299	\$ 216,299

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- STATE HOUSING INITIATIVE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ 350,000	\$ 350,000	\$ 322,441	\$ (27,559)
Miscellaneous revenue	10,000	10,000	51,146	41,146
Investment income	500	500	6,095	5,595
Total revenues	360,500	360,500	379,682	19,182
EXPENDITURES				
Current				
Economic environment	548,257	548,257	322,137	226,120
Excess (deficiency) of revenues over expenditures	(187,757)	(187,757)	57,545	245,302
OTHER FINANCING SOURCES (USES)				
Transfers in	57,249	57,249	57,249	-
Net change in fund balances	(130,508)	(130,508)	114,794	245,302
Fund balances-beginning	130,508	130,508	182,065	51,557
Fund balances-ending	\$ -	\$ -	\$ 296,859	\$ 296,859

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CDBG NEIGHBORHOOD STABILIZATION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ 20,768	\$ 20,768	\$ -	\$ (20,768)
EXPENDITURES				
Current				
CDBG grant	20,768	20,768	-	20,768
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balances-beginning	-	-	-	-
Fund balances-ending	\$ -	\$ -	\$ -	\$ -

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- BIMINI GARDENS MUNICIPAL SERVICE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Special assessments	\$ 5,500	\$ 5,500	\$ 5,495	\$ (5)
Investment income	60	60	234	174
Total revenues	5,560	5,560	5,729	169
EXPENDITURES				
Current				
Public works	30,116	30,116	218	29,898
Excess (deficiency) of revenues over expenditures	(24,556)	(24,556)	5,511	30,067
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	29	29
Net change in fund balances	(24,556)	(24,556)	5,540	30,096
Fund balances-beginning	24,556	24,556	27,784	3,228
Fund balances-ending	\$ -	\$ -	\$ 33,324	\$ 33,324

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- ESPANOLA MOSQUITO CONTROL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Special assessments	\$ 1,450	\$ 1,450	\$ 1,351	\$ (99)
Intergovernmental	250	250	-	(250)
Investment income	30	30	140	110
Total revenues	1,730	1,730	1,491	(239)
EXPENDITURES				
Current				
Mosquito control	12,686	12,686	290	12,396
Excess (deficiency) of revenues over expenditures	(10,956)	(10,956)	1,201	12,157
OTHER FINANCING SOURCES (USES)				
Transfers in	8	8	7	(1)
Net change in fund balances	(10,948)	(10,948)	1,208	12,156
Fund balances-beginning	10,948	10,948	23,271	12,323
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,479</u>	<u>\$ 24,479</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- RIMA RIDGE MOSQUITO CONTROL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Special assessments	\$ 2,400	\$ 2,400	\$ 2,436	\$ 36
Intergovernmental	400	400	-	(400)
Investment income	90	90	272	182
Total revenues	2,890	2,890	2,708	(182)
EXPENDITURES				
Current				
Mosquito control	35,174	35,174	322	34,852
Excess (deficiency) of revenues over expenditures	(32,284)	(32,284)	2,386	34,670
OTHER FINANCING SOURCES (USES)				
Transfers in	15	15	13	(2)
Net change in fund balances	(32,269)	(32,269)	2,399	34,668
Fund balances-beginning	32,269	32,269	37,596	5,327
Fund balances-ending	\$ -	\$ -	\$ 39,995	\$ 39,995

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- BUILDING DEPARTMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Licenses and permits	\$ 847,500	\$ 847,500	\$ 1,021,047	\$ 173,547
Charges for services	2,200	2,200	2,360	160
Fines and forfeitures	-	-	9,156	9,156
Miscellaneous revenue	1,500	1,500	1,601	101
Investment income	10,000	10,000	50,980	40,980
Total revenues	861,200	861,200	1,085,144	223,944
EXPENDITURES				
Current				
Building	2,099,981	1,568,181	894,532	673,649
Capital outlay	54,000	585,800	321,110	264,690
Total expenditures	2,153,981	2,153,981	1,215,642	938,339
Excess (deficiency) of revenues over expenditures	(1,292,781)	(1,292,781)	(130,498)	1,162,283
Fund balances-beginning	1,292,781	1,292,781	1,835,431	542,650
Fund balances-ending	\$ -	\$ -	\$ 1,704,933	\$ 1,704,933

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- DOMESTIC VIOLENCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 7,805	\$ 7,805	\$ 11,212	\$ 3,407
Investment income	28	28	107	79
Total revenues	7,833	7,833	11,319	3,486
OTHER FINANCING SOURCES (USES)				
Transfers out	(16,800)	(16,800)	(16,800)	-
Net change in fund balances	(8,967)	(8,967)	(5,481)	3,486
Fund balances-beginning	8,967	8,967	13,544	4,577
Fund balances-ending	\$ -	\$ -	\$ 8,063	\$ 8,063

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- ALCOHOL AND OTHER DRUG TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 3,650	\$ 3,650	\$ 4,350	\$ 700
Investment income	20	20	47	27
Total revenues	3,670	3,670	4,397	727
EXPENDITURES				
Current				
Judiciary	7,207	7,207	49	7,158
Excess (deficiency) of revenues over expenditures	(3,537)	(3,537)	4,348	7,885
Fund balances-beginning	3,537	3,537	4,477	940
Fund balances-ending	\$ -	\$ -	\$ 8,825	\$ 8,825

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- COURT TECHNOLOGY
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Fines and forfeitures	\$ 240,000	\$ 240,000	\$ 266,636	\$ 26,636
Investment income	5,000	5,000	19,898	14,898
Total revenues	<u>245,000</u>	<u>245,000</u>	<u>286,534</u>	<u>41,534</u>
EXPENDITURES				
Current				
Judiciary	756,157	767,409	168,757	598,652
Capital outlay	<u>74,928</u>	<u>63,676</u>	<u>12,670</u>	<u>51,006</u>
Total expenditures	<u>831,085</u>	<u>831,085</u>	<u>181,427</u>	<u>649,658</u>
Excess (deficiency) of revenues over expenditures	(586,085)	(586,085)	105,107	691,192
Fund balances-beginning	<u>586,085</u>	<u>586,085</u>	<u>750,121</u>	<u>164,036</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 855,228</u>	<u>\$ 855,228</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- JUVENILE DIVERSION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Budget	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 15,075	\$ 18,655	\$ 18,657	\$ 2
Investment income	25	70	84	14
Total revenues	15,100	18,725	18,741	16
EXPENDITURES				
Current				
Judiciary	100	-	-	-
Excess (deficiency) of revenues over expenditures	15,000	18,725	18,741	16
OTHER FINANCING SOURCES (USES)				
Transfers out	(16,832)	(25,222)	(25,221)	1
Net change in fund balances	(1,832)	(6,497)	(6,480)	17
Fund balances-beginning	1,832	6,497	6,493	(4)
Fund balances-ending	\$ -	\$ -	\$ 13	\$ 13

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CRIME PREVENTION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 22,000	\$ 22,000	\$ 28,697	\$ 6,697
Investment income	300	300	1,868	1,568
Total revenues	22,300	22,300	30,565	8,265
EXPENDITURES				
Current				
Public safety	64,187	64,187	2,625	61,562
Excess (deficiency) of revenues over expenditures	(41,887)	(41,887)	27,940	69,827
OTHER FINANCING SOURCES (USES)				
Transfers out	(15,000)	(15,000)	(15,000)	-
Net change in fund balances	(56,887)	(56,887)	12,940	69,827
Fund balances-beginning	56,887	56,887	67,153	10,266
Fund balances-ending	\$ -	\$ -	\$ 80,093	\$ 80,093

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- COURT INNOVATION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Fines and forfeitures	\$ 15,000	\$ 15,000	\$ 18,656	\$ 3,656
Investment income	150	150	414	264
Total revenues	15,150	15,150	19,070	3,920
EXPENDITURES				
Current				
Judiciary	144,501	144,501	127,123	17,378
Excess (deficiency) of revenues over expenditures	(129,351)	(129,351)	(108,053)	21,298
OTHER FINANCING SOURCES (USES)				
Transfers in	126,447	126,447	159,702	33,255
Net change in fund balances	(2,904)	(2,904)	51,649	54,553
Fund balances-beginning	2,904	2,904	4,812	1,908
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,461</u>	<u>\$ 56,461</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- TEEN COURT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ 18,250	\$ 18,250	\$ 23,204	\$ 4,954
Investment income	70	70	388	318
Total revenues	18,320	18,320	23,592	5,272
EXPENDITURES				
Current				
Judiciary	70,406	70,406	50,687	19,719
Excess (deficiency) of revenues over expenditures	(52,086)	(52,086)	(27,095)	24,991
OTHER FINANCING SOURCES (USES)				
Transfers in	51,023	51,023	51,023	-
Net change in fund balances	(1,063)	(1,063)	23,928	24,991
Fund balances-beginning	1,063	1,063	22,160	21,097
Fund balances-ending	\$ -	\$ -	\$ 46,088	\$ 46,088

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- E-911
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES				
Intergovernmental	\$ 461,327	\$ 640,167	\$ 596,355	\$ (43,812)
Charges for services	-	-	50	50
Miscellaneous revenue	-	-	95	95
Investment income	1,000	1,000	11,696	10,696
Total revenues	462,327	641,167	608,196	(32,971)
EXPENDITURES				
Current				
Public safety	824,059	855,371	421,335	434,036
Capital outlay	15,300	162,828	28,971	133,857
Total expenditures	839,359	1,018,199	450,306	567,893
Excess (deficiency) of revenues over expenditures	(377,032)	(377,032)	157,890	534,922
Fund balances-beginning	377,032	377,032	422,829	45,797
Fund balances-ending	\$ -	\$ -	\$ 580,719	\$ 580,719

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- NORTH MALACOMPA DISTRICT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Special assessments	\$ 35,000	\$ 35,000	\$ 35,191	\$ 191
Investment income	90	90	2,322	2,232
Total revenues	35,090	35,090	37,513	2,423
EXPENDITURES				
Capital Outlay	101,371	101,371	796	100,575
Excess (deficiency) of revenues over expenditures	(66,281)	(66,281)	36,717	102,998
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	185	185
Net change in fund balances	(66,281)	(66,281)	36,902	103,183
Fund balances-beginning	66,281	66,281	69,690	3,409
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,592</u>	<u>\$ 106,592</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- COURT OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ 436,017	\$ 388,387	\$ 346,458	\$ (41,929)
Charges for services	1,137,360	1,168,100	1,469,180	301,080
Fines and forfeitures	178,500	138,500	245,379	106,879
Miscellaneous revenue	-	280	297	17
Investment income	7,200	8,980	11,757	2,777
TOTAL REVENUES	<u>1,759,077</u>	<u>1,704,247</u>	<u>2,073,071</u>	<u>368,824</u>
EXPENDITURES				
Current				
Judiciary	<u>1,759,077</u>	<u>1,704,247</u>	<u>1,689,739</u>	<u>14,508</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>383,332</u>	<u>383,332</u>
OTHER FINANCING SOURCES (USES)				
Reversion to other governments	<u>-</u>	<u>-</u>	<u>(383,332)</u>	<u>(383,332)</u>
Fund balances-beginning	<u>-</u>	<u>-</u>	<u>32,670</u>	<u>32,670</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,670</u>	<u>\$ 32,670</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CLERK COURT TECHNOLOGY
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Charges for services	\$ 225,000	\$ 245,500	\$ 253,304	\$ 7,804
Investment income	460	840	1,119	279
Total revenues	225,460	246,340	254,423	8,083
EXPENDITURES				
Current				
Judiciary	252,063	200,193	260,776	(60,583)
Excess (deficiency) of revenues over expenditures	(26,603)	46,147	(6,353)	(52,500)
Fund balances-beginning	26,603	(46,147)	268,085	314,232
Fund balances-ending	\$ -	\$ -	\$ 261,732	\$ 261,732

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- RECORDS MODERNIZATION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Charges for services	\$ 75,000	\$ 84,260	\$ 86,576	\$ 2,316
Investment revenue	300	570	892	322
Total revenues	75,300	84,830	87,468	2,638
EXPENDITURES				
Current				
General government	45,540	32,020	33,367	(1,347)
Excess (deficiency) of revenues over expenditures	29,760	52,810	54,101	1,291
Fund balances-beginning	(29,760)	(52,810)	205,198	258,008
Fund balances-ending	\$ -	\$ -	\$ 259,299	\$ 259,299

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- FEDERAL EQUITABLE SHARING FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current				
Public safety	-	-	2,888	(2,888)
Excess (deficiency) of revenues over expenditures	-	-	(2,888)	(2,888)
Fund balances-beginning	-	-	3,177	3,177
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289</u>	<u>\$ 289</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- LAW ENFORCEMENT EDUCATION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Charges for services	\$ -	\$ -	\$ 7,000	\$ 7,000
EXPENDITURES				
Current				
Public safety	-	-	7,000	(7,000)
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balances-beginning	-	-	7,427	7,427
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,427</u>	<u>\$ 7,427</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- INMATE WELFARE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Charges for services	\$ -	\$ -	\$ 136,982	\$ 136,982
EXPENDITURES				
Current				
Public safety	-	-	74,917	(74,917)
Excess (deficiency) of revenues over expenditures	-	-	62,065	62,065
Fund balances-beginning	-	-	62,591	62,591
Fund balances-ending	\$ -	\$ -	\$ 124,656	\$ 124,656

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- ESL 2008 REFERENDUM
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	\$ 1,166,443	\$ 1,166,443	\$ 1,124,414	\$ (42,029)
Investment income	5,000	5,000	39,632	34,632
Total revenues	1,171,443	1,171,443	1,164,046	(7,397)
EXPENDITURES				
Debt service				
Principal retirement	1,987,225	1,987,225	905,000	1,082,225
Interest and fiscal charges	260,100	260,100	260,099	1
Other debt service costs	3,000	3,000	1,560	1,440
Total expenditures	2,250,325	2,250,325	1,166,659	1,083,666
Excess (deficiency) of revenues over expenditures	(1,078,882)	(1,078,882)	(2,613)	1,076,269
Fund balance-beginning	1,078,882	1,078,882	1,167,562	88,680
Fund balance-ending	\$ -	\$ -	\$ 1,164,949	\$ 1,164,949

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CAPITAL CONSTRUCTION GO ISSUE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Taxes	\$ 2,082,936	\$ 2,082,936	\$ 2,007,616	\$ (75,320)
Investment income	3,000	3,000	28,719	25,719
Total revenues	<u>2,085,936</u>	<u>2,085,936</u>	<u>2,036,335</u>	<u>(49,601)</u>
EXPENDITURES				
Debt service				
Principal retirement	1,628,742	1,628,742	975,000	653,742
Interest and fiscal charges	816,138	816,138	816,136	2
Other debt service costs	<u>2,825</u>	<u>2,825</u>	<u>1,961</u>	<u>864</u>
Total expenditures	<u>2,447,705</u>	<u>2,447,705</u>	<u>1,793,097</u>	<u>654,608</u>
Excess (deficiency) of revenues over expenditures	(361,769)	(361,769)	243,238	605,007
Fund balance-beginning	<u>361,769</u>	<u>361,769</u>	<u>506,694</u>	<u>144,925</u>
Fund balance-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 749,932</u>	<u>\$ 749,932</u>

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES- BUDGET and ACTUAL- CAPITAL IMPROVEMENTS & REFUNDING SERIES 2015
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Taxes	\$ 192,723	\$ 192,723	\$ 185,121	\$ (7,602)
Intergovernmental	2,660,709	2,660,709	2,740,129	79,420
Investment income	10,000	10,000	51,009	41,009
Total revenues	<u>2,863,432</u>	<u>2,863,432</u>	<u>2,976,259</u>	<u>112,827</u>
EXPENDITURES				
Debt service				
Principal retirement	4,233,239	4,233,239	1,275,000	2,958,239
Interest and fiscal charges	1,680,603	1,680,603	1,680,600	3
Other debt service costs	5,825	5,825	2,187	3,638
Total expenditures	<u>5,919,667</u>	<u>5,919,667</u>	<u>2,957,787</u>	<u>2,961,880</u>
Excess (deficiency) of revenues over expenditures	(3,056,235)	(3,056,235)	18,472	3,074,707
Fund balance-beginning	<u>3,056,235</u>	<u>3,056,235</u>	<u>3,260,030</u>	<u>203,795</u>
Fund balance-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,278,502</u>	<u>\$ 3,278,502</u>

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES- BUDGET and ACTUAL-
BOND - TAXABLE SPECIAL ASSESSMENT REVENUE NOTE, SERIES 2018
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Special Assessments	\$ 138,088	\$ 138,088	\$ 117,140	\$ (20,948)
Investment income	-	-	1,077	1,077
Total revenues	138,088	138,088	118,217	(19,871)
EXPENDITURES				
Debt service				
Principal retirement	61,000	331,414	311,000	20,414
Interest and fiscal charges	76,690	76,690	76,690	-
Other debt service costs	398	398	87	311
Total expenditures	138,088	408,502	387,777	20,725
Excess (deficiency) of revenues over expenditures	-	(270,414)	(269,560)	854
OTHER FINANCING SOURCES (USES)				
Transfers in	-	270,414	270,414	-
Net change in fund balance	-	-	854	854
Fund balance-beginning	-	-	-	-
Fund balance-ending	\$ -	\$ -	\$ 854	\$ 854

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES- BUDGET and ACTUAL-
BOND - TAXABLE SPECIAL ASSESSMENT REVENUE NOTE, SERIES 2018B
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Special Assessments	\$ 734,541	\$ 734,541	\$ 710,777	\$ (23,764)
Investment income	-	-	6,304	6,304
Total revenues	<u>734,541</u>	<u>734,541</u>	<u>717,081</u>	<u>(17,460)</u>
EXPENDITURES				
Debt service				
Principal retirement	555,000	555,000	555,000	-
Interest and fiscal charges	126,636	126,636	126,635	1
Other debt service costs	<u>16,178</u>	<u>16,178</u>	<u>237</u>	<u>15,941</u>
Total expenditures	<u>697,814</u>	<u>697,814</u>	<u>681,872</u>	<u>15,942</u>
Excess (deficiency) of revenues over expenditures	36,727	36,727	35,209	(1,518)
Fund balance-beginning	<u>(36,727)</u>	<u>(36,727)</u>	<u>-</u>	<u>36,727</u>
Fund balance-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,209</u>	<u>\$ 35,209</u>

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CAPITAL PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	\$ 3,095,608	\$ 3,095,608	\$ 2,892,130	\$ (203,478)
Intergovernmental	800,000	800,000	284,498	(515,502)
Miscellaneous income	1,030,000	1,030,000	900,124	(129,876)
Investment income	7,500	7,500	75,592	68,092
Total revenues	4,933,108	4,933,108	4,152,344	(780,764)
EXPENDITURES				
Capital outlay	5,902,875	7,153,306	3,658,175	3,495,131
Excess (deficiency) of revenues over expenditures	(969,767)	(2,220,198)	494,169	2,714,367
OTHER FINANCING SOURCES (USES)				
Transfers in	918,500	918,500	-	(918,500)
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(81,500)	(81,500)	(1,000,000)	(918,500)
Net change in fund balances	(1,051,267)	(2,301,698)	(505,831)	1,795,867
Fund balances-beginning	1,051,267	2,301,698	4,459,211	2,157,513
Fund balances-ending	\$ -	\$ -	\$ 3,953,380	\$ 3,953,380

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- BEACH FRONT PARKS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Investment income	\$ 2,500	\$ 2,500	\$ 10,118	\$ 7,618
EXPENDITURES				
Current				
Recreation	397,260	397,260	290	396,970
Excess (deficiency) of revenues over expenditures	(394,760)	(394,760)	9,828	404,588
Fund balances-beginning	394,760	394,760	398,862	4,102
Fund balances-ending	\$ -	\$ -	\$ 408,690	\$ 408,690

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- PARK MAINTENANCE TRUST
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Investment income	\$ 2,000	\$ 2,000	\$ 19,668	\$ 17,668
EXPENDITURES				
Current				
Recreation	759,446	759,446	1,154	758,292
Excess (deficiency) of revenues over expenditures	(757,446)	(757,446)	18,514	775,960
Fund balances-beginning	757,446	757,446	777,975	20,529
Fund balances-ending	\$ -	\$ -	\$ 796,489	\$ 796,489

FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CAPITAL IMPROVEMENT REVENUE BONDS SERIES 2015
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Investment income	\$ 7,500	\$ 7,500	\$ 20,337	\$ 12,837
EXPENDITURES				
Capital outlay	886,400	886,400	27,259	859,141
Excess (deficiency) of revenues over expenditures	(878,900)	(878,900)	(6,922)	871,978
Fund balances-beginning	878,900	878,900	822,477	(56,423)
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 815,555</u>	<u>\$ 815,555</u>

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL-
CPF - TAXABLE SPECIAL ASSESSMENT REVENUE NOTE, SERIES 2018
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Investment income	\$ -	\$ 3,333	\$ 3,333	\$ -
EXPENDITURES				
Current				
Physical Environment	130,158	1,537	2,431	(894)
Excess (deficiency) of revenues over expenditures	(130,158)	1,796	902	(894)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	10,763	10,762	(1)
Transfers out	-	(270,415)	(270,414)	1
Total other financing sources (uses)	-	(259,652)	(259,652)	-
Net change in fund balances	(130,158)	(257,856)	(258,750)	(894)
Fund balances-beginning	130,158	257,856	258,750	894
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL-
CPF - TAXABLE SPECIAL ASSESSMENT REVENUE NOTE, SERIES 2018B
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Investment income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,119</u>	<u>\$ 82,119</u>
EXPENDITURES				
Current				
Physical Environment	<u>688,674</u>	<u>688,674</u>	<u>343,117</u>	<u>345,557</u>
Excess (deficiency) of revenues over expenditures	<u>(688,674)</u>	<u>(688,674)</u>	<u>(260,998)</u>	<u>427,676</u>
Fund balances-beginning	<u>688,674</u>	<u>688,674</u>	<u>322,254</u>	<u>(366,420)</u>
Fund balances-ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 61,256</u></u>	<u><u>\$ 61,256</u></u>

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CAPITAL PROJECTS - MARINELAND ACRES DISTRICT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Special assessments	\$ 123,930	\$ 123,930	\$ 120,593	\$ (3,337)
Investment income	600	600	8,632	8,032
Total revenues	124,530	124,530	129,225	4,695
EXPENDITURES				
Capital outlay	363,704	363,704	15,451	348,253
Excess (deficiency) of revenues over expenditures	(239,174)	(239,174)	113,774	352,948
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	632	632
Net change in fund balances	(239,174)	(239,174)	114,406	353,580
Fund balances-beginning	239,174	239,174	238,396	(778)
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 352,802</u>	<u>\$ 352,802</u>

FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- CAPITAL PROJECTS - ESL 2008 REFERENDUM
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,680,003	\$ 1,680,003
Investment income	1,500	1,500	62,687	61,187
Total revenues	1,500	1,500	1,742,690	1,741,190
EXPENDITURES				
Land management	2,141,491	2,141,491	1,646,039	495,452
Excess (deficiency) of revenues over expenditures	(2,139,991)	(2,139,991)	96,651	2,236,642
Fund balances-beginning	2,139,991	2,139,991	634,421	(1,505,570)
Fund balances-ending	\$ -	\$ -	\$ 731,072	\$ 731,072

FLAGLER COUNTY, FLORIDA
NONMAJOR ENTERPRISE FUNDS DESCRIPTIONS

ENTERPRISE FUNDS:

Enterprise funds are used to account for operations: (a) that are financed and operated in a manner similar to business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public and a continuing bases be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The County maintains the following non-major Enterprise Funds:

Landfill

This fund was established to account for the operations, closure and postclosure care costs of the County's three landfills as well as the costs associated with the household hazardous materials and oil collection materials center.

Waste Management Fund

This fund was established to account for the collection and disposal of residential solid waste in unincorporated areas of the County.

FLAGLER COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION -
- NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Landfill Fund	Waste Management	Total
ASSETS			
Current assets			
Cash and equivalents	\$ 179,939	\$ 27,645	\$ 207,584
Investments	2,550,544	989,296	3,539,840
Accounts receivable, net	1,629	10,478	12,107
Due from other funds	23,200	10,552	33,752
Total current assets	2,755,312	1,037,971	3,793,283
Noncurrent assets			
Land and construction in progress	306,996	-	306,996
Other capital assets, net of accumulated depreciation	22,134	-	22,134
Total noncurrent assets	329,130	-	329,130
Total assets	3,084,442	1,037,971	4,122,413
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	42,145	21,863	64,008
OPEB related	1,202	575	1,777
Total deferred outflows	43,347	22,438	65,785
LIABILITIES			
Current liabilities			
Accounts payable and accrued expenses	14,459	126,251	140,710
Due to other governmental agencies	35	-	35
Due to other funds	-	14,145	14,145
Compensated absences	12,313	1,761	14,074
Net pension liability	665	411	1,076
Total current liabilities	27,472	142,568	170,040
Noncurrent liabilities			
OPEB liability	11,411	5,457	16,868
Net pension liability	110,939	59,705	170,644
Total noncurrent liabilities	122,350	65,162	187,512
Total liabilities	149,822	207,730	357,552
DEFERRED INFLOWS OF RESOURCES			
Pension related	10,433	4,947	15,380
OPEB related	1,470	703	2,173
Total deferred inflows	11,903	5,650	17,553
NET POSITION			
Net investment in capital assets	329,130	-	329,130
Restricted for			
Future capital outlay	1,225,758	-	1,225,758
Unrestricted	1,411,176	847,029	2,258,205
Total net position	\$ 2,966,064	\$ 847,029	\$ 3,813,093

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

FLAGLER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION- NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Landfill Fund	Waste Management	Total
OPERATING REVENUES			
Charges for services	\$ 1,214	\$ 1,654,044	\$ 1,655,258
OPERATING EXPENSES			
Personal services	153,685	89,104	242,789
Vehicle fuel	1,002	-	1,002
Contractual services	51,932	1,614,647	1,666,579
Repairs and maintenance	10,160	3,832	13,992
Professional services	41,578	697	42,275
Utilities	3,401	-	3,401
Insurance	1,351	-	1,351
Rentals and leases	663	-	663
Depreciation	13,200	-	13,200
Miscellaneous	3,989	1,162	5,151
Total operating expenses	280,961	1,709,442	1,990,403
Operating income (loss)	(279,747)	(55,398)	(335,145)
Nonoperating revenues (expenses)			
Intergovernmental	40,940	-	40,940
Franchise fees	-	156,709	156,709
Interest income	51,441	31,165	82,606
Total nonoperating revenues (expenses)	92,381	187,874	280,255
INCOME(LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(187,366)	132,476	(54,890)
Transfers in	-	8,345	8,345
Change in net position	(187,366)	140,821	(46,545)
Net position-beginning	3,153,430	706,208	3,859,638
Net position-ending	\$ 2,966,064	\$ 847,029	\$ 3,813,093

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

**FLAGLER COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Landfill</u>	<u>Waste Management</u>	<u>Total</u>
CASH FLOWS FROM			
OPERATING ACTIVITIES			
Receipts from customers	\$ 547	\$ 1,648,567	\$ 1,649,114
Payments to suppliers	(119,330)	(1,606,505)	(1,725,835)
Payments to employees	(142,741)	(85,176)	(227,917)
Increase (decrease) in due from other funds	(23,008)	(3,445)	(26,453)
Increase (decrease) in due to other funds	-	574	574
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operating activities	<u>(284,532)</u>	<u>(45,985)</u>	<u>(330,517)</u>
NON-CAPITAL FINANCING ACTIVITIES			
Franchise fees	-	156,709	156,709
Nonoperating federal/state grants	104,640	-	104,640
Transfers in	-	8,345	8,345
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by non-capital financing activities	<u>104,640</u>	<u>165,054</u>	<u>269,694</u>
INVESTING ACTIVITIES			
Investment purchases	(48,759)	(927,373)	(976,132)
Proceeds from sale of investments	200,000	600,000	800,000
Interest on investments	50,740	29,155	79,895
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by investing activities	<u>201,981</u>	<u>(298,218)</u>	<u>(96,237)</u>
Net increase (decrease) in cash and equivalents	<u>22,089</u>	<u>(179,149)</u>	<u>(157,060)</u>
CASH AND EQUIVALENTS, BEGINNING OF YEAR	<u>157,850</u>	<u>206,794</u>	<u>364,644</u>
CASH AND EQUIVALENTS, END OF YEAR	<u><u>\$ 179,939</u></u>	<u><u>\$ 27,645</u></u>	<u><u>\$ 207,584</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities			
Operating income (loss)	\$ (279,747)	\$ (55,398)	\$ (335,145)
Adjustment to reconcile operating loss to net cash used in operations:			
Depreciation	13,200	-	13,200
Changes in assets and liabilities:			
Accounts receivable	(667)	(5,479)	(6,146)
Due from other funds	(23,008)	(3,445)	(26,453)
Accounts payable and accrued expenses	(5,153)	13,835	8,682
Due to other governments	(101)	-	(101)
Due to other funds	-	574	574
Compensated absences	2,509	257	2,766
OPEB liability	(3,574)	(3,763)	(7,337)
Net pension liability	12,009	7,434	19,443
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operating activities	<u><u>\$ (284,532)</u></u>	<u><u>\$ (45,985)</u></u>	<u><u>\$ (330,517)</u></u>
NONCASH INVESTING ACTIVITIES			
Change in fair market value of investments	(700)	(2,010)	\$ (2,710)

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

**FLAGLER COUNTY, FLORIDA
FIDUCIARY FUNDS DESCRIPTIONS**

FIDUCIARY AGENCY FUNDS:

Fiduciary Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, and other governments.

Clerk of the Circuit Court and Comptroller Agency

These funds were established to account for funds received and held by the Clerk of the Circuit Court and Comptroller in a fiduciary capacity.

Sheriff Agency

These funds were established to account for funds received and held by the Sheriff in a fiduciary capacity.

Tax Collector Agency

These funds were established to account for funds received and held by Tax Collector in a fiduciary capacity.

FLAGLER COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
SEPTEMBER 30, 2019

	Clerk Agency	Sheriff Agency	Tax Collector Agency	Total Agency Funds
ASSETS				
Cash and cash equivalents	\$ 1,484,269	\$ 24,701	\$ 2,561,506	\$ 4,070,476
Accounts receivable	-	-	131,358	131,358
Due from other governments	86	-	-	86
 Total assets	 <u>\$ 1,484,355</u>	 <u>\$ 24,701</u>	 <u>\$ 2,692,864</u>	 <u>\$ 4,201,920</u>
 LIABILITIES				
Accounts payable	\$ -	\$ 9,905	\$ -	\$ 9,905
Due to other governments	112,806	-	-	112,806
Deposits	1,346,293	14,796	2,692,864	4,053,953
Other liabilities	25,256	-	-	25,256
 Total liabilities	 <u>\$ 1,484,355</u>	 <u>\$ 24,701</u>	 <u>\$ 2,692,864</u>	 <u>\$ 4,201,920</u>

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

FLAGLER COUNTY, FLORIDA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Balance October 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2019</u>
CLERK OF COURT:				
ASSETS				
Cash and cash equivalents	\$ 2,439,325	\$ 8,034,229	\$ 8,989,285	\$ 1,484,269
Due from other governments	576	2,297	2,787	86
	<u>2,439,901</u>	<u>8,036,526</u>	<u>8,992,072</u>	<u>1,484,355</u>
Total assets	<u>\$ 2,439,901</u>	<u>\$ 8,036,526</u>	<u>\$ 8,992,072</u>	<u>\$ 1,484,355</u>
LIABILITIES				
Due to other governments	\$ 117,916	\$ 1,857,891	\$ 1,863,001	\$ 112,806
Deposits	2,290,943	6,231,285	7,175,935	1,346,293
Other liabilities	31,042	59,946	65,732	25,256
	<u>2,439,901</u>	<u>8,149,122</u>	<u>9,104,668</u>	<u>1,484,355</u>
Total liabilities	<u>\$ 2,439,901</u>	<u>\$ 8,149,122</u>	<u>\$ 9,104,668</u>	<u>\$ 1,484,355</u>
	<u>Balance October 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2019</u>
SHERIFF:				
ASSETS				
Cash and cash equivalents	\$ 16,234	\$ 736,143	\$ 727,676	\$ 24,701
LIABILITIES				
Accounts payable	\$ -	\$ 9,905	\$ -	\$ 9,905
Deposits	16,234	749,716	751,154	14,796
	<u>16,234</u>	<u>759,621</u>	<u>751,154</u>	<u>24,701</u>
Total liabilities	<u>\$ 16,234</u>	<u>\$ 759,621</u>	<u>\$ 751,154</u>	<u>\$ 24,701</u>

(Continued)

FLAGLER COUNTY, FLORIDA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

(Continued)

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
TAX COLLECTOR:				
ASSETS				
Cash and cash equivalents	\$ 1,920,312	\$ 485,545,857	\$ 484,904,663	\$ 2,561,506
Accounts receivable	101,816	22,243,848	22,214,306	131,358
Total assets	<u>\$ 2,022,128</u>	<u>\$ 507,789,705</u>	<u>\$ 507,118,969</u>	<u>\$ 2,692,864</u>
LIABILITIES				
Deposits	<u>\$ 2,022,128</u>	<u>\$ 20,976,066</u>	<u>\$ 20,305,330</u>	<u>\$ 2,692,864</u>
	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
TOTAL ALL AGENCY:				
ASSETS				
Cash and cash equivalents	\$ 4,375,871	\$ 494,316,229	\$ 494,621,624	\$ 4,070,476
Accounts receivable	101,816	22,243,848	22,214,306	131,358
Due from other governments	576	2,297	2,787	86
Total assets	<u>\$ 4,478,263</u>	<u>\$ 516,562,374</u>	<u>\$ 516,838,717</u>	<u>\$ 4,201,920</u>
LIABILITIES				
Accounts payable	\$ -	\$ 9,905	\$ -	\$ 9,905
Due to other governments	117,916	1,857,891	1,863,001	112,806
Deposits	4,329,305	27,957,067	28,232,419	4,053,953
Other liabilities	31,042	59,946	65,732	25,256
Total liabilities	<u>\$ 4,478,263</u>	<u>\$ 29,884,809</u>	<u>\$ 30,161,152</u>	<u>\$ 4,201,920</u>

FLAGLER COUNTY, FLORIDA
OVERVIEW OF STATISTICAL SECTION CONTENTS

This part of Flagler County's comprehensive annual financial report presents additional information to assist users in understanding how the information provided in the financial statements, note disclosures, and required supplementary information impacts the County's overall financial health.

Financial Trends Information Page 161

These schedules show trend information to help the reader understand how the County's financial condition and performance changed over time.

Revenue Capacity Information Page 166

These schedules provide information to help the reader assess the County's most significant local revenue source, property taxes.

Debt Capacity Information Page 170

These schedules present information to help the reader assess the County's current debt load and its ability to issue additional debt in the future.

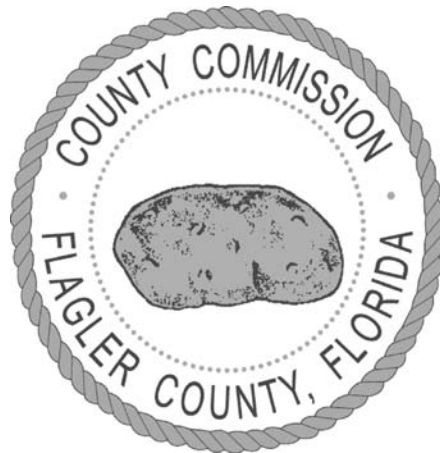
Demographic and Economic Information Page 177

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County operates.

Operating Information Page 179

These schedules provide service and infrastructure data related to County services and activities in order to help the reader better understand the information presented in the financial statements.

Sources: Unless otherwise indicated, the data in these schedules is derived from the comprehensive annual financial reports of Flagler County, Florida.



Schedule 1

FLAGLER COUNTY, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net investment in capital assets	\$ 243,581,432	\$ 227,959,203	\$ 228,456,543	\$ 246,724,687	\$ 238,538,145	\$ 221,697,440	\$ 216,372,923	\$ 213,605,993	\$ 213,691,965	\$ 196,914,786
Restricted	46,612,182	47,157,909	38,198,245	33,030,763	32,761,805	33,747,894	32,671,605	33,400,791	33,635,981	29,646,675
Unrestricted	(37,812,354)	(34,774,701)	(32,541,918)	(24,152,031)	(24,714,327)	5,557,315	5,724,481	5,045,355	9,467,544	15,322,370
Total governmental activities net position	<u>\$ 252,381,260</u>	<u>\$ 240,342,411</u>	<u>\$ 234,112,870</u>	<u>\$ 255,603,419</u>	<u>\$ 246,585,623</u>	<u>\$ 261,002,649</u>	<u>\$ 254,769,009</u>	<u>\$ 252,052,139</u>	<u>\$ 256,795,490</u>	<u>\$ 241,883,831</u>
Business-type activities										
Net investment in capital assets	\$ 29,962,937	\$ 33,485,567	\$ 30,690,468	\$ 20,677,567	\$ 17,710,530	\$ 17,390,035	\$ 14,817,197	\$ 11,134,385	\$ 10,610,540	\$ 11,789,339
Restricted	1,378,885	1,225,758	1,225,758	1,234,275	1,225,758	1,225,758	2,752,617	2,684,645	3,136,296	3,414,533
Unrestricted	9,945,002	4,885,461	3,584,443	3,155,568	1,677,820	3,033,190	3,091,607	3,846,637	2,030,517	758,909
Total business-type activities net position	<u>\$ 41,286,824</u>	<u>\$ 39,596,786</u>	<u>\$ 35,500,669</u>	<u>\$ 25,067,410</u>	<u>\$ 20,614,108</u>	<u>\$ 21,648,983</u>	<u>\$ 20,661,421</u>	<u>\$ 17,665,667</u>	<u>\$ 15,777,353</u>	<u>\$ 15,962,781</u>
Primary government:										
Net investment in capital assets	\$ 273,544,369	\$ 261,444,770	\$ 259,147,011	\$ 267,402,254	\$ 256,248,675	\$ 239,087,475	\$ 231,190,120	\$ 224,740,378	\$ 224,302,505	\$ 208,704,125
Restricted	47,991,067	48,383,667	39,424,003	34,265,038	33,987,563	34,973,652	35,424,222	36,085,436	36,772,277	33,061,208
Unrestricted	(27,867,352)	(29,889,240)	(28,957,475)	(20,996,463)	(23,036,507)	8,590,505	8,816,088	8,891,992	11,498,061	16,081,279
Total primary government net position	<u>\$ 293,668,084</u>	<u>\$ 279,939,197</u>	<u>\$ 269,613,539</u>	<u>\$ 280,670,829</u>	<u>\$ 267,199,731</u>	<u>\$ 282,651,632</u>	<u>\$ 275,430,430</u>	<u>\$ 269,717,806</u>	<u>\$ 272,572,843</u>	<u>\$ 257,846,612</u>

Schedule 2
FLAGLER COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental activities										
General government	\$ 28,009,651	\$ 24,792,530	\$ 24,394,093	\$ 21,676,448	\$ 19,330,615	\$ 19,061,399	\$ 18,856,737	\$ 17,990,618	\$ 18,105,420	\$ 18,578,279
Public safety	56,944,601	49,523,776	49,431,822	40,426,042	34,622,939	34,583,622	34,381,551	34,781,700	35,871,670	35,250,421
Physical environment	5,775,948	13,839,359	666,737	860,996	516,579	303,418	648,364	1,003,943	346,520	649,192
Transportation	10,882,520	9,559,671	33,293,759	11,348,978	17,338,674	13,445,435	10,476,921	7,439,036	8,831,545	7,656,643
Economic environment	2,788,885	2,445,867	2,635,179	2,418,085	2,318,736	1,913,323	2,401,918	1,537,127	1,189,775	1,150,551
Human services	4,624,022	4,075,492	4,490,535	4,449,085	4,259,922	4,073,002	3,705,985	4,267,718	3,675,585	3,540,641
Culture and recreation	5,165,669	4,511,665	4,736,216	4,619,453	3,830,443	3,981,558	3,426,442	4,008,612	3,757,755	3,519,266
Court related	4,783,078	4,333,419	4,062,907	4,042,042	3,461,918	3,521,907	3,170,967	3,053,724	3,159,575	3,231,247
Interest on long-term debt	3,509,764	3,379,296	3,007,741	4,568,009	4,356,038	3,335,340	3,487,841	3,724,866	3,713,901	3,478,079
Total governmental activities expenses	<u>122,484,138</u>	<u>116,461,075</u>	<u>126,718,989</u>	<u>94,409,138</u>	<u>90,035,864</u>	<u>84,219,004</u>	<u>80,556,726</u>	<u>77,807,344</u>	<u>78,651,755</u>	<u>77,054,319</u>
Business-type expenses										
Airport	3,243,218	2,771,133	2,933,124	2,903,425	6,429,248	2,718,394	2,567,228	2,404,906	2,465,923	2,073,284
Utilities	2,797,503	2,557,216	2,759,147	3,021,868	1,215,817	675,084	579,164	373,945	364,742	388,864
Landfill	280,961	282,823	306,547	250,419	251,598	121,762	169,182	99,637	128,813	163,604
Waste management	1,709,442	1,571,860	1,490,769	1,432,446	1,404,113	1,354,836	1,354,381	1,459,886	1,486,230	1,393,540
Total business-type activities expenses	<u>8,031,124</u>	<u>7,183,032</u>	<u>7,489,587</u>	<u>7,608,158</u>	<u>9,300,776</u>	<u>4,870,076</u>	<u>4,669,955</u>	<u>4,338,374</u>	<u>4,445,708</u>	<u>4,019,292</u>
Total primary government expenses	<u>\$ 130,515,262</u>	<u>\$ 123,644,107</u>	<u>\$ 134,208,576</u>	<u>\$ 102,017,296</u>	<u>\$ 99,336,640</u>	<u>\$ 89,089,080</u>	<u>\$ 85,226,681</u>	<u>\$ 82,145,718</u>	<u>\$ 83,097,463</u>	<u>\$ 81,073,611</u>
Program revenues										
Governmental activities										
Charges for services										
General government	\$ 4,379,816	\$ 4,204,567	\$ 4,390,011	\$ 3,606,767	\$ 3,608,043	\$ 4,986,693	\$ 4,137,828	\$ 3,370,077	\$ 3,251,896	\$ 3,152,491
Public safety	10,175,043	9,763,619	8,579,248	7,331,707	7,160,915	6,044,959	6,437,972	5,952,540	6,947,645	6,458,469
Physical environment	4,550,712	-	-	-	28,000	400	1,709	-	-	-
Transportation	929,435	1,652,466	834,842	769,625	944,076	738,142	633,123	758,879	564,018	727,150
Economic environment	-	-	-	150	75	937	2,991	3,868	5,059	8,846
Human services	179,428	169,823	176,236	132,784	154,925	134,013	98,245	129,147	145,142	187,208
Culture and recreation	354,811	301,136	274,993	290,302	270,548	257,028	260,942	219,078	221,838	198,594
Court related	2,569,018	2,387,520	2,084,193	1,858,118	2,245,473	578,464	587,258	523,567	506,937	508,639
Operating grants and contributions	11,810,103	17,497,647	7,510,041	5,040,904	4,786,509	4,146,497	5,443,849	5,868,779	4,739,002	5,353,623
Capital grants and contributions	10,908,809	9,397,442	7,228,974	15,462,870	25,093,290	12,233,926	4,671,396	3,474,297	5,510,130	4,732,716
Total governmental activities program revenues	<u>45,857,175</u>	<u>45,374,220</u>	<u>31,078,538</u>	<u>34,493,227</u>	<u>44,291,854</u>	<u>29,121,059</u>	<u>22,275,313</u>	<u>20,300,232</u>	<u>21,891,667</u>	<u>21,327,736</u>
Business-type activities										
Charges for services										
Airport	2,318,943	2,157,867	2,005,680	1,926,246	1,731,271	1,524,369	1,617,467	1,385,312	1,413,536	1,105,953
Utilities	3,209,280	3,041,404	2,795,378	2,563,711	789,757	845,327	532,878	357,586	486,326	464,158
Landfill	1,214	1,738	903	941	2,563	1,802	2,721	708	2,557	1,737
Waste management	1,654,044	1,636,655	1,419,147	1,373,505	1,334,618	1,325,745	1,458,893	1,447,290	1,436,211	1,420,202
Operating grants and contributions	1,511,540	525,342	275,787	163,923	3,856,840	83,200	70,588	70,588	70,588	77,207
Capital grants and contributions	121,080	3,060,787	10,628,998	4,940,331	1,152,691	1,758,995	3,943,563	2,784,811	524,882	154,965
Total business-type activities program revenues	<u>8,816,101</u>	<u>10,423,793</u>	<u>17,125,893</u>	<u>10,968,657</u>	<u>8,867,740</u>	<u>5,539,438</u>	<u>7,626,110</u>	<u>6,046,295</u>	<u>3,934,100</u>	<u>3,224,222</u>
Total primary government program revenues	<u>\$ 54,673,276</u>	<u>\$ 55,798,013</u>	<u>\$ 48,204,431</u>	<u>\$ 45,461,884</u>	<u>\$ 53,159,594</u>	<u>\$ 34,660,497</u>	<u>\$ 29,901,423</u>	<u>\$ 26,346,527</u>	<u>\$ 25,825,767</u>	<u>\$ 24,551,958</u>

Schedule 2 (Continued)

FLAGLER COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Net (Expense)/Revenue										
Governmental activities	\$ (76,626,963)	\$ (71,086,855)	\$ (95,640,451)	\$ (59,915,911)	\$ (45,744,010)	\$ (55,097,945)	\$ (58,281,413)	\$ (57,507,112)	\$ (56,760,088)	\$ (55,726,583)
Business-type activities	784,977	3,240,761	9,636,306	3,360,499	(433,036)	669,362	2,956,155	1,707,921	(511,608)	(795,070)
Total primary government net expense	<u>\$ (75,841,986)</u>	<u>\$ (67,846,094)</u>	<u>\$ (86,004,145)</u>	<u>\$ (56,555,412)</u>	<u>\$ (46,177,046)</u>	<u>\$ (54,428,583)</u>	<u>\$ (55,325,258)</u>	<u>\$ (55,799,191)</u>	<u>\$ (57,271,696)</u>	<u>\$ (56,521,653)</u>
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	\$ 71,490,768	\$ 65,556,127	\$ 61,692,330	\$ 57,165,981	\$ 53,995,582	\$ 51,456,258	\$ 45,785,795	\$ 43,172,111	\$ 44,628,028	\$ 47,562,219
Tourist and franchise taxes	3,153,092	3,190,081	5,215,235	2,514,077	2,462,937	2,293,162	2,096,962	1,994,230	1,684,069	1,328,338
Sales and fuel taxes	8,581,064	8,376,977	5,332,393	7,559,281	7,171,065	6,740,672	6,224,280	5,487,079	5,192,255	5,090,787
Intergovernmental	1,632,138	1,518,936	1,436,687	1,358,096	1,312,209	1,206,660	1,125,939	1,061,327	1,007,655	1,556,921
Interest Revenue	1,908,912	1,123,086	-	-	-	-	-	-	-	-
Miscellaneous	111,028	90,095	540,000	344,472	603,112	479,136	2,478,766	1,058,991	19,272,714	1,161,642
Transfers	(8,345)	(7,031)	(5,565)	(8,200)	491,995	(7,851)	150,861	(9,977)	(112,974)	(410,045)
Total governmental activities	<u>\$ 86,868,657</u>	<u>\$ 79,848,271</u>	<u>\$ 74,211,080</u>	<u>\$ 68,933,707</u>	<u>\$ 66,036,900</u>	<u>\$ 62,168,037</u>	<u>\$ 57,862,603</u>	<u>\$ 52,763,761</u>	<u>\$ 71,671,747</u>	<u>\$ 56,289,862</u>
Business-type activities										
Tourist and franchise taxes	\$ 156,709	143,003	135,318	130,833	129,303	131,475	132,843	141,113	145,047	\$ 139,656
Special assessment/Impact fees	377,885	638,519	529,690	394,925	-	-	-	-	-	-
Interest Revenue	294,605	123,209	-	-	-	-	-	-	-	-
Miscellaneous	67,517	45,887	126,380	127,184	69,230	210,761	57,617	29,303	68,159	36,695
Settlement proceeds	-	-	-	-	-	-	-	-	-	911,498
Transfers	8,345	7,031	5,565	8,200	(491,995)	7,851	(150,861)	9,977	112,974	410,045
Special item - utility merger	-	-	-	431,661	-	-	-	-	-	-
Total business-type activities	<u>\$ 905,061</u>	<u>\$ 957,649</u>	<u>\$ 796,953</u>	<u>\$ 1,092,803</u>	<u>\$ (293,462)</u>	<u>\$ 350,087</u>	<u>\$ 39,599</u>	<u>\$ 180,393</u>	<u>\$ 326,180</u>	<u>\$ 1,497,894</u>
Total primary government	<u>\$ 87,773,718</u>	<u>\$ 80,805,920</u>	<u>\$ 75,008,033</u>	<u>\$ 70,026,510</u>	<u>\$ 65,743,438</u>	<u>\$ 62,518,124</u>	<u>\$ 57,902,202</u>	<u>\$ 52,944,154</u>	<u>\$ 71,997,927</u>	<u>\$ 57,787,756</u>
Changes in Net Position										
Governmental activities	\$ 10,241,694	\$ 8,761,416	\$ (21,429,371)	\$ 9,017,796	\$ 20,292,890	\$ 7,070,092	\$ (418,810)	\$ (4,743,351)	\$ 14,911,659	\$ 563,279
Business-type activities	1,690,038	4,198,410	10,433,259	4,453,302	(726,498)	1,019,449	2,995,754	1,888,314	(185,428)	702,824
Total primary government	<u>\$ 11,931,732</u>	<u>\$ 12,959,826</u>	<u>\$ (10,996,112)</u>	<u>\$ 13,471,098</u>	<u>\$ 19,566,392</u>	<u>\$ 8,089,541</u>	<u>\$ 2,576,944</u>	<u>\$ (2,855,037)</u>	<u>\$ 14,726,231</u>	<u>\$ 1,266,103</u>

Schedule 3
FLAGLER COUNTY, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General fund										
Nonspendable	\$ 2,189,507	2,387,035	2,130,709	2,210,389	\$ 2,150,126	\$ 2,228,600	\$ 2,136,457	\$ 2,103,642	\$ 2,186,759	\$ -
Restricted	6,973,110	15,629,429	2,798,226	2,733,949	2,710,663	2,400,364	2,277,224	2,706,337	2,315,329	-
Committed	-	-	-	-	-	-	-	134,865	-	-
Assigned	1,822,557	3,887,688	3,029,580	4,527,501	4,723,032	2,184,591	3,545,789	3,710,120	8,830,592	-
Unassigned	10,587,730	5,419,805	4,944,381	7,865,134	5,877,774	5,734,847	3,266,220	1,706,182	709,007	-
Reserved	-	-	-	-	-	-	-	-	-	2,863,096
Unreserved										
Designated for future use	-	-	-	-	-	-	-	-	-	503,179
Undesignated	-	-	-	-	-	-	-	-	-	14,166,178
Total general fund	<u>\$ 21,572,904</u>	<u>\$ 27,323,957</u>	<u>\$ 12,902,896</u>	<u>\$ 17,336,973</u>	<u>\$ 15,461,595</u>	<u>\$ 12,548,402</u>	<u>\$ 11,225,690</u>	<u>\$ 10,361,146</u>	<u>\$ 14,041,687</u>	<u>\$ 17,532,453</u>
All other governmental funds										
Nonspendable	\$ 592,543	\$ 594,282	\$ 572,670	\$ 573,959	\$ 607,316	\$ 585,295	\$ 643,485	\$ 673,638	\$ 600,000	\$ -
Restricted	41,342,305	42,497,065	35,503,522	34,609,982	42,778,998	29,388,189	28,463,165	29,099,483	30,079,190	-
Committed	-	-	-	-	-	-	-	-	57,190	-
Reserved	-	-	-	-	-	-	-	-	-	6,440,808
Unreserved										
Special revenue funds	-	-	-	-	-	-	-	-	-	18,713,003
Capital projects funds	-	-	-	-	-	-	-	-	-	2,321,454
Total all other governmental funds	<u>\$ 41,934,848</u>	<u>\$ 43,091,347</u>	<u>\$ 36,076,192</u>	<u>\$ 35,183,941</u>	<u>\$ 43,386,314</u>	<u>\$ 29,973,484</u>	<u>\$ 29,106,650</u>	<u>\$ 29,773,121</u>	<u>\$ 30,736,380</u>	<u>\$ 27,475,265</u>

Fiscal year 2010 reflects fund balance classifications used prior to the implementation of GASB 54.

Schedule 4

FLAGLER COUNTY, FLORIDA**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Taxes	\$ 79,710,092	\$ 72,889,196	\$ 68,181,896	\$ 63,191,531	\$ 59,693,807	\$ 56,813,780	\$ 50,575,169	\$ 47,800,451	\$ 49,285,251	\$ 51,411,403
Licenses and permits	1,090,062	1,267,563	900,390	928,526	820,475	643,420	607,419	426,238	1,444,784	406,499
Intergovernmental	26,845,849	30,004,268	19,902,296	25,749,319	31,788,609	19,003,823	14,920,746	13,265,388	12,613,588	14,761,945
Charges for services	14,575,798	12,544,457	10,532,419	11,665,887	11,996,339	10,717,792	10,214,986	9,291,170	9,903,511	9,692,585
Fines and forfeitures	996,060	1,013,335	869,131	870,842	1,102,940	1,015,635	917,761	805,024	986,177	939,516
Miscellaneous revenue	1,845,702	2,073,811	1,503,962	817,563	1,191,050	637,999	2,109,741	1,296,411	1,353,404	847,086
Investment income	1,812,115	1,057,357	424,236	313,872	130,572	134,085	121,705	106,378	109,267	163,704
Total revenues	126,875,678	120,849,987	102,314,330	103,537,540	106,723,792	88,966,534	79,467,527	72,991,060	75,695,982	78,222,738
Expenditures										
General government	22,798,040	21,275,601	20,716,509	17,956,972	17,396,316	16,854,655	15,725,105	15,276,384	15,795,997	15,991,259
Public safety	47,332,766	44,743,104	41,857,104	34,992,957	32,201,120	31,783,043	31,148,783	31,594,668	32,731,844	31,854,497
Physical environment	6,011,765	13,709,345	618,896	576,954	474,282	321,073	404,571	955,307	283,302	566,661
Transportation	5,188,889	5,401,237	5,773,361	7,248,499	10,639,384	8,216,321	5,962,034	4,115,598	4,592,657	4,662,055
Economic environment	2,657,618	2,351,311	2,513,610	2,348,516	2,281,882	1,914,978	2,376,560	1,516,411	1,189,153	1,137,271
Human services	4,262,250	3,964,165	4,371,216	4,303,909	4,166,654	3,973,728	3,625,748	4,191,561	3,583,382	3,456,174
Culture and recreation	3,474,573	3,569,077	3,803,206	3,529,957	3,139,968	3,234,780	2,689,107	2,972,073	2,929,935	2,691,785
Court related	4,017,480	4,104,604	3,951,800	3,712,989	3,415,285	3,409,564	3,170,967	3,053,724	3,159,575	3,231,247
Capital Outlay	29,685,563	18,219,558	11,816,603	27,039,648	33,749,424	9,963,954	9,127,279	5,777,879	9,472,482	10,984,683
Debt service										
Principal	6,745,697	4,295,414	6,724,408	3,826,520	32,027,837	3,921,868	4,390,810	5,483,814	4,184,872	4,249,670
Interest and fiscal charges	3,794,212	3,304,248	3,275,636	3,546,346	2,854,892	3,415,173	3,538,010	3,752,775	3,801,138	3,727,783
Bond issuance costs	6,032	7,076	7,031	96,289	1,224,605	-	-	-	-	-
Total expenditures	135,974,885	124,944,740	105,429,380	109,179,556	143,571,649	87,009,137	82,158,974	78,690,194	81,724,337	82,553,085
Excess of revenues over (under) expenditures	\$ (9,099,207)	\$ (4,094,753)	\$ (3,115,050)	\$ (5,642,016)	\$ (36,847,857)	\$ 1,957,397	\$ (2,691,447)	\$ (5,699,134)	\$ (6,028,355)	\$ (4,330,347)
Other Financing Sources (Uses)										
Transfers in	\$ 2,398,012	\$ 1,349,961	\$ 2,943,952	\$ 1,374,776	\$ 1,171,460	\$ 253,692	\$ 1,178,791	\$ 257,780	\$ 857,401	\$ 1,796,393
Transfers out	(2,406,357)	(1,356,992)	(2,949,517)	(1,782,976)	(679,465)	(261,543)	(589,271)	(270,257)	(970,375)	(1,606,438)
Insurance recovery	-	-	-	-	-	-	-	-	-	13,745
Long term debt issued	2,200,000	24,338,000	560,000	-	68,275,000	-	2,300,000	567,811	5,500,000	-
Premium on long term debt issued	-	-	-	11,380,000	6,200,144	-	-	-	-	-
Capital lease	-	1,200,000	1,021,000	243,270	960,000	240,000	-	500,000	411,678	412,000
Sale of capital assets	-	-	9,994	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	(11,900,049)	(22,753,259)	-	-	-	-	-
Total other financing sources (uses)	2,191,655	25,530,969	1,585,429	(684,979)	53,173,880	232,149	2,889,520	1,055,334	5,798,704	615,700
Net change in fund balances	\$ (6,907,552)	\$ 21,436,216	\$ (1,529,621)	\$ (6,326,995)	\$ 16,326,023	\$ 2,189,546	\$ 198,073	\$ (4,643,800)	\$ (229,651)	\$ (3,714,647)
Debt service as a percentage of noncapital expenditures	9.95%	7.18%	9.81%	8.97%	30.84%	9.35%	10.60%	12.70%	10.94%	11.18%

Schedule 5

FLAGLER COUNTY, FLORIDA**ASSESSED VALUE OF TAXABLE PROPERTY (5)****LAST TEN FISCAL YEARS**

Fiscal Year	Total Assessed Valuation (1)	Tax Exempt Properties (2)	Save Our Homes Exemptions (3)	Other Exemptions (4)	Total Exempt	Real Property Taxable Valuation	Personal Property Taxable Valuation	Centrally Assessed Property	Taxable Assessed Value	Total Direct Tax Rate	Percentage of Taxable Value to Assessed Value
2019	14,239,166,683	851,375,336	1,817,586,733	2,349,806,669	5,018,768,738	8,861,362,410	334,801,015	24,190,319	9,220,353,744	8.7247	64.8%
2018	12,991,017,208	901,582,659	1,349,078,577	2,245,725,057	4,496,386,293	8,122,501,452	347,939,803	24,148,872	8,494,590,127	8.6117	65.4%
2017	12,026,256,717	895,686,008	1,076,840,820	2,172,812,138	4,145,338,966	7,538,008,560	319,248,710	23,596,432	7,880,853,702	8.6317	65.5%
2016	11,446,627,252	896,658,668	934,864,798	2,210,908,489	4,042,431,955	7,055,381,789	326,444,597	22,310,778	7,404,137,164	8.4668	64.7%
2015	10,615,189,321	841,856,152	778,488,066	2,007,080,360	3,627,424,578	6,656,085,711	311,394,360	20,065,848	6,987,545,919	8.5390	65.8%
2014	9,845,628,311	831,140,903	510,570,486	1,965,410,798	3,307,122,187	6,244,441,461	276,777,081	17,288,286	6,538,506,828	8.5753	66.4%
2013	9,063,324,273	790,176,725	139,646,192	1,929,051,092	2,858,874,009	5,905,080,330	284,677,625	14,692,309	6,204,450,264	7.6620	68.5%
2012	8,967,256,546	809,537,659	88,037,723	1,914,733,524	2,812,308,906	5,850,747,157	289,403,554	14,796,929	6,154,947,640	6.7814	68.6%
2011	9,491,634,943	803,802,045	130,052,142	1,996,422,009	2,930,276,196	6,240,360,413	304,054,485	16,943,849	6,561,358,747	6.0550	69.1%
2010	10,784,264,640	822,981,655	240,011,388	2,063,506,136	3,126,499,179	7,304,829,176	336,625,866	16,310,419	7,657,765,461	5.2479	71.0%

(1) The Flagler County Property Appraiser shall assess all property at market or just value. In arriving at just valuation as required under s. 4 Article VII of the State Constitution, the Property Appraiser takes into consideration the factors listed in Section 193.011, Florida Statutes.

(2) Governmental and Institutional Exemptions.

(3) "Save Our Homes" (FS 193.155), limits annual increases in property value assessments on real property qualifying for and receiving Homestead Exemption.

(4) Other exemptions includes \$25,000 homestead exemption, Disability, Widows/Widowers, Agricultural, land taxes, and Age 65 & older.

(5) Information on estimated actual value is not provided because it cannot be reasonably estimated based on assessed values.

Source: Flagler County Property Appraiser

Schedule 6

FLAGLER COUNTY, FLORIDA**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS****(MILLS PER \$1,000 OF ASSESSED VALUE)****LAST TEN YEARS**

Fiscal Year	County Direct Rates			Overlapping Rates								
	General Purposes	Debt Service	Total	School District	City of Palm Coast	City of Flagler Beach	City of Bunnell	East Flagler Mosquito Control District	SJWMD	FL Inland Navigation District	Town of Marineland	Town of Beverly Beach
2019	8.2297	0.4950	8.7247	6.4100	4.6989	5.3900	6.4300	0.2518	0.2562	0.0320	10.0000	2.5000
2018	8.1167	0.4950	8.6117	6.6390	4.5937	5.3600	7.3990	0.2403	0.2724	0.0320	10.0000	2.3000
2017	8.1167	0.5150	8.6317	6.9520	4.2450	5.2100	7.4500	0.2395	0.2885	0.0320	10.0000	2.3000
2016	7.9417	0.5251	8.4668	7.2550	4.2450	4.7074	7.4500	0.2376	0.3023	0.0320	10.0000	2.3000
2015	7.9750	0.5640	8.5390	7.4460	4.2450	5.0573	7.4500	0.2423	0.3164	0.0345	10.0000	2.3000
2014	7.9906	0.5847	8.5753	7.4420	4.2705	5.3350	6.9506	0.2533	0.3283	0.0345	10.0000	2.3000
2013	7.0800	0.5820	7.6620	7.9430	4.2958	5.1244	6.9506	0.2540	0.3313	0.0345	9.3912	2.3000
2012	6.2232	0.5582	6.7814	8.0310	3.9900	4.8500	6.9506	0.2390	0.3313	0.0345	7.3823	2.3000
2011	5.5905	0.4645	6.0550	8.0130	3.5000	4.2023	6.0544	0.2038	0.4158	0.0345	3.0896	2.3000
2010	4.8894	0.3585	5.2479	7.7680	3.5000	3.4643	6.0544	0.2038	0.4158	0.0345	1.7931	2.0456

(1) Not all residents in the unincorporated areas for the County are levied taxes for
Flagler Mosquito Control

Source: Flagler County Tax Collector, Flagler County Property Appraiser

Schedule 7

FLAGLER COUNTY, FLORIDA**PRINCIPAL PROPERTY TAXPAYERS****CURRENT YEAR AND NINE YEARS AGO**

2019				2010			
Taxpayer	Taxes	Percentage of Total Taxes Levied	Rank	Taxpayer	Taxes	Percentage of Total Taxes Levied	Rank
Florida Power & Light Company	\$ 3,337,655	2.48%	1	Florida Power & Light Company	\$ 2,227,390	1.59%	1
Palm Coast Holdings	1,396,816	1.04%	2	Bell South Telecommunications	482,082	0.34%	2
Florida Landmark Communities	1,059,513	0.79%	3	Intervest at Plantation Bay	436,893	0.31%	3
Palm Coast Florida Holdings LLC	1,035,706	0.77%	4	Palm Coast Center LLC	390,984	0.28%	4
Palm Coast Landing Owner LLC	553,741	0.41%	5	Florida Landmark Communities	356,677	0.25%	5
Ebsco Integra Woods LLC	504,121	0.37%	6	LRCF Palm Coast LLC	284,779	0.20%	6
Optimum Property Developments LLC	494,532	0.37%	7	Palm Coast Holdings INC	268,811	0.19%	7
Hammock Dunes Owners Assoc Inc	417,370	0.31%	8	Bright House Networks	267,613	0.19%	8
Branch Island Walk Associates LP	398,015	0.30%	9	Target Corporation T-2364	265,668	0.19%	9
Bright House Networks	361,131	0.27%	10	Palm Coast Medical Specialists	264,385	0.19%	10
Total	<u>\$ 9,558,600</u>	<u>7.11%</u>		Total	<u>\$ 5,245,282</u>	<u>3.73%</u>	
Total Taxes Levied	<u>\$ 134,695,145</u>			Total Taxes Levied	<u>\$ 140,050,887</u>		

Source: Flagler County Tax Collector

Schedule 8

FLAGLER COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Fiscal Year	Total Tax Levied	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percentage Tax Collected
2019	\$ 134,695,145	\$ 134,503,598	99.86%	N/A	\$ 134,503,598	99.86%
2018	164,638,576	156,065,256	94.79%	N/A	156,065,256	94.79%
2017	150,882,148	142,986,360	94.77%	N/A	142,986,360	94.77%
2016	143,974,359	136,179,893	94.59%	N/A	136,179,893	94.59%
2015	143,956,373	134,024,728	93.10%	N/A	134,024,728	93.10%
2014	137,584,994	118,554,639	86.17%	2,266,389	120,821,028	87.82%
2013	130,450,977	114,959,269	88.12%	1,584,914	116,544,183	89.34%
2012	126,473,783	116,590,891	92.19%	2,103,838	118,694,729	93.85%
2011	128,442,873	117,033,392	91.12%	2,893,685	119,927,077	93.37%
2010	140,050,887	127,261,198	90.87%	3,255,665	130,516,863	93.19%

(1) Property taxes are due and payable as of November 1 and become delinquent on April 1st. A tax certificate sale is held on or before June 1st on all delinquent real estate taxes. Once tax certificate is purchased, a lien is placed on the property; therefore, real estate taxes are fully collected prior to the end of the County's fiscal year.

Source: Flagler County Tax Collector

Schedule 9

FLAGLER COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities						Business-type Activities			Percentage	
	General Obligation Bonds (2)	General Obligation Issuance Premiums (2)	Revenue Bonds (2)	Notes (2)	Revenue Issuance Premiums (2)	Capital Leases (2)	Revenue Bonds	Notes (2)	Total	of Personal Income (1)	Per Capita (1)
2019	\$ 32,060,000	\$ 1,197,022	\$ 47,627,000	\$ 3,421,579	\$ 4,189,545	\$ 14,275,388	\$ 6,809,000	\$ 13,318,305	\$ 122,897,839	4.01%	1,097
2018	33,940,000	1,274,250	46,336,000	6,820,000	4,444,463	15,546,652	3,076,000	10,667,620	122,104,985	2.60%	1,067
2017	35,765,000	1,351,477	41,570,000	2,997,000	4,699,382	1,068,066	3,123,000	10,676,114	101,250,039	2.23%	910
2016	37,945,000	1,431,230	42,175,000	5,704,959	4,954,304	718,515	3,168,000	12,056,146	108,153,154	2.47%	999
2015	39,155,000	1,510,983	42,775,000	6,692,153	5,209,223	873,668	3,212,000	6,035,218	105,463,245	2.49%	1,001
2014	41,665,000	12,536	24,485,000	7,646,347	697,697	158,973	3,254,000	3,369,054	81,288,607	2.05%	793
2013	43,425,000	15,298	25,150,000	8,895,541	730,921	166,647	3,254,000	3,603,394	85,240,801	2.32%	852
2012	45,105,000	18,060	26,570,000	7,722,811	764,144	330,187	-	3,829,638	84,339,840	2.35%	856
2011	46,715,000	20,821	27,935,000	9,080,000	797,368	414,001	-	4,047,800	89,009,990	2.61%	914
2010	43,770,000	23,583	29,255,000	9,116,000	830,592	276,195	-	3,181,160	86,452,530	2.72%	900

(1) Refer to Table 14 for details of population, personal income, and per capita income.

(2) Details regarding Flagler County's outstanding debt can be found in Note 7 of the financial statements

(3) Florida Statutes do not provide a legal debt margin for Florida counties

Schedule 10

FLAGLER COUNTY, FLORIDA**RATIOS OF GENERAL BONDED DEBT OUTSTANDING****LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	General Obligation Bonds Issuance Premium	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt (1)	Ratio of Net General Bonded Debt To Estimated Actual Taxable Value (2)	Net Bonded Debt per Capita (3)
2019	\$ 32,060,000	\$ 1,197,022	\$ 4,950,485	\$ 28,306,537	0.31%	252.59
2018	33,940,000	1,274,250	4,419,159	30,795,091	0.36%	269.21
2017	35,765,000	1,351,477	3,949,034	33,167,443	0.42%	297.98
2016	37,945,000	1,431,230	514,593	38,861,637	0.52%	358.80
2015	39,155,000	1,510,983	761,513	39,904,470	0.57%	378.63
2014	41,665,000	12,536	644,215	41,033,321	0.52%	400.09
2013	43,425,000	15,298	872,679	42,567,619	0.39%	425.53
2012	45,105,000	18,060	1,020,914	44,102,146	0.36%	447.37
2011	46,715,000	20,821	1,174,704	45,561,117	0.41%	468.02
2010	43,770,000	23,583	728,449	43,065,134	0.46%	448.23

(1) Net General Bonded Debt consists of bonds secured by and payable from ad valorem taxes less amounts available in the related debt service funds for retirement of those obligations.

(2) See the Schedule of Assessed Value of Taxable Property.

(3) Population data can be found in the Schedule of Demographic Statistics

Schedule 11

FLAGLER COUNTY, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2019

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Primary Government
School District	\$ 49,771,000	100%	\$ 49,771,000
City of Palm Coast	7,685,000	58.81%	4,519,549
Subtotal, overlapping debt			54,290,549
Flagler County direct debt			102,770,534
Total direct and overlapping debt			\$ 157,061,083

Sources: Countywide taxable value amounts were used to estimate applicable percentages. Outstanding debt balances as reported in governmental units financial reports.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the taxpayers of Flagler County. This process recognizes that, when considering the governments ability to issue and repay long-term debt, the entire debt burden borne by the taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Schedule 12

FLAGLER COUNTY, FLORIDA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

The Constitution of the State of Florida, the Florida Statutes 200.181 and Flagler County, Florida have no set legal debt margin.

Schedule 13

FLAGLER COUNTY, FLORIDA**PLEDGED-REVENUE COVERAGE****LAST TEN FISCAL YEARS**

Taxable Special Assessment Revenue Note, Series 2018B						
Fiscal Year	Pledged-Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2019	\$ 710,776	-	\$ 710,776	\$ 555,000	\$ 126,635	1.04

Note: Bonds were issued in June 2018.

(1) The pledged revenues are the proceeds of special assessment levied against all benefited property.

Taxable Special Assessment Revenue Note, Series 2018						
Fiscal Year	Pledged-Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2019	\$ 387,553	-	\$ 387,553	\$ 311,000	\$ 76,690	1.00

Note: Bonds were issued in March 2018.

(1) The pledged revenues are the proceeds of special assessment levied against all benefited property.

Tourist Development Tax Revenue Bond, Series 2017						
Fiscal Year	Pledged-Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2019	\$ 714,922	\$ 43,551	\$ 671,371	\$ 1,200,000	\$ 141,870	0.50
2018	1,327,934	85,917	1,242,017	-	69,661	17.83

Note: Bonds were issued in August 2017.

(1) The pledged revenues includes the Local Tourist Development Taxes.

Schedule 13 (Continued)

FLAGLER COUNTY, FLORIDA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Capital Improvement Revenue Bonds, Series 2005 (1)						
Fiscal Year	Pledged-Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	\$ 391,199	\$ -	\$ 391,199	\$ 695,000	\$ 563,563	0.31
2014	3,535,516	-	3,535,516	665,000	1,141,256	1.96
2013	3,702,853	-	3,702,853	1,420,000	1,183,788	1.42
2012	4,372,403	-	4,372,403	1,365,000	1,239,488	1.68
2011	4,127,364	-	4,127,364	1,320,000	1,287,247	1.58
2010	4,002,203	-	4,002,203	1,275,000	1,330,020	1.54

Note: Bonds were issued in September 2005

(1) The pledged revenues includes the local government 1/2 cent sales tax, discretionary sales surtax, communication services tax, and revenue sharing.

(2) In 2015 debt service was accomplished with pledged revenues reserve balance. Debt was refunded in February 2015.

Special Assessment Revenue Note, Series 2002 (2)						
Fiscal Year	Pledged-Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2014	\$ -	\$ -	\$ -	\$ 310,000	\$ 11,873	0.00
2013	379	-	379	310,000	23,746	0.00
2012	365,136	-	365,136	310,000	35,684	1.06
2011	384,061	-	384,061	310,000	47,525	1.07
2010	377,043	-	377,043	310,000	59,365	1.02

(1) The pledged revenues are the proceeds of special assessment levied against all benefited property.

(2) In 2013 and 2014 debt service was accomplished with pledged revenues reserve balance. Debt was paid off as 9/30/14.

Water and Sewer System Revenue Bond, Series 2013						
Fiscal Year	Pledged-Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2019	\$ 863,465	\$ 536,778	\$ 326,687	\$ 48,000	\$ 107,660	2.10
2018	1,007,119	533,976	473,143	47,000	109,305	3.03
2017	1,029,458	571,453	458,005	45,000	110,880	2.94
2016	653,511	516,111	137,400	44,000	112,420	0.88
2015	662,544	519,422	143,122	42,000	113,890	0.92
2014	821,894	675,084	146,810	-	113,890	1.29
2013	529,333	426,709	102,624	-	44,308	2.32

(1) Bonds were issued in April 2013

Schedule 13 (Continued)

FLAGLER COUNTY, FLORIDA

PLEDGED-REVENUE COVERAGE

LAST TEN FISCAL YEARS

Taxable Airport Revenue Note, Series 2015							
Fiscal Year	Pledged- Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
2019	\$ 565,875	\$ 1,969	\$ 563,906	\$ 161,000	\$ 79,981	2.34	
2018	583,470	26,439	557,031	156,000	85,481	2.31	
2017	588,456	67,073	521,383	149,000	97,351	2.12	
2016	525,441	55,437	470,004	145,000	107,791	1.86	
2015	243,237	33,507	209,730	35,000	57,109	2.28	

(1) Note was issued in March 2015

Taxable Airport Refunding Revenue Note, Series 2015B							
Fiscal Year	Pledged- Revenues (1)	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
2019	\$ 1,843,446	\$ 1,573,633	\$ 269,813	\$ 137,000	\$ 69,799	1.30	
2018	1,649,215	1,485,346	163,870	131,000	74,449	0.80	
2017	1,572,521	837,371	735,151	126,000	88,341	3.43	
2016	1,501,573	1,274,658	226,914	100,000	108,065	1.09	

(1) Note was issued in July 2015

Schedule 14

FLAGLER COUNTY, FLORIDA

DEMOGRAPHIC STATISTICS

LAST TEN YEARS

Fiscal Year	Population (1)	Personal Income (in thousands) (1)	Per Capita Income (1)	School Enrollment (2)	Unemployment Rate (1)
2019	112,067	5,179,684	46,220	12,849	3.6%
2018	114,391	4,697,956	41,068	12,883	3.6%
2017	111,309	4,536,625	40,756	12,845	4.7%
2016	108,310	4,380,834	40,447	12,820	5.5%
2015	105,392	4,230,393	40,140	12,607	6.2%
2014	102,561	3,967,933	38,689	12,508	7.5%
2013	100,035	3,681,547	36,803	12,687	10.2%
2012	98,580	3,582,507	36,341	12,758	11.6%
2011	97,349	3,407,503	35,003	12,829	13.5%
2010	96,078	3,181,487	33,114	12,975	15.1%

(1) Source: Florida Research & Economic Database (FRED). Estimated 2018 based on 2017 amounts.

(2) Source: Flagler County School District and Florida Department of Education

Schedule 15

FLAGLER COUNTY, FLORIDA**PRINCIPAL EMPLOYERS****CURRENT YEAR AND NINE YEARS AGO**

Employer	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Flagler County Schools	1,750	1	3.90%	1,756	1	4.15%
Florida Hospital Flagler	1,115	2	2.48%	780	3	1.84%
Palm Coast Data Ltd.	750	3	1.67%	1,100	2	2.60%
Hammock Beach Resort	505	4	1.13%	557	5	1.32%
Publix Supermarkets	491	5	1.09%	560	4	1.32%
City of Palm Coast	510	6	1.14%	415	7	0.98%
Insurance Services Office, Inc.	326	7	0.73%	-	-	-
Walmart	300	8	0.67%	500	6	1.18%
Florida Healthcare	300	9	0.67%	-	-	-
Flagler County Sheriff's Office	300	10	0.67%	257	10	0.60%
Sea Ray Boats	-	-	-	400	8	0.95%
Ocean Hammock Resort	-	-	-	320	9	0.76%
Total	<u>6,347</u>		<u>14.14%</u>	<u>6,645</u>		<u>15.70%</u>

Source: Flagler County Chamber of Commerce, Florida Research and Economic Database for civilian workforce, and Career Source

Schedule 16

FLAGLER COUNTY, FLORIDA**FULL TIME EQUIVALENT EMPLOYEES BY PROGRAM/FUNCTION****LAST TEN FISCAL YEARS**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<u>Program/Function:</u>										
General Government										
Legislative and Executive	11.0	12.0	13.0	12.0	11.0	11.0	11.2	11.2	12.0	12.0
Financial and Administrative	18.0	24.9	23.0	22.0	22.0	17.0	17.0	18.0	18.0	18.0
Other General Government	42.0	48.5	48.5	48.0	42.0	42.5	35.5	35.5	34.0	36.0
Legal Counsel	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Comprehensive Planning	11.0	7.4	7.4	6.9	6.9	6.5	6.5	7.5	6.0	7.0
Court-Related	2.5	4.0	4.0	4.0	4.0	4.3	2.8	2.8	2.5	2.5
Public Safety										
Fire/Rescue & Fire Inspection	79.0	93.0	92.0	89.0	86.0	83.0	83.0	83.0	84.0	79.0
Emergency Management	12.0	8.8	10.1	10.0	10.0	9.5	10.3	10.3	10.0	11.0
Building Inspections	9.0	7.8	7.8	7.2	7.2	6.5	5.5	5.5	6.0	6.0
Code Enforcement	2.0	2.3	2.3	1.9	1.9	2.0	2.0	2.0	2.0	2.0
Physical Environment	10.0	23.0	22.5	22.5	11.8	10.8	11.0	11.0	11.0	10.0
Transportation	48.5	68.8	68.8	69.8	61.3	60.3	59.8	57.4	54.5	46.5
Economic Environment	2.0	10.7	10.4	5.0	5.0	4.5	4.0	4.0	2.0	2.0
Human Services	17.5	17.5	17.5	16.5	15.4	15.4	15.4	16.8	15.8	15.8
Culture/Recreation										
Libraries	19.0	18.1	18.1	17.7	17.1	16.3	15.5	16.5	18.0	18.5
Parks and Recreation	17.5	23.0	21.5	21.5	20.5	17.5	17.5	17.5	18.5	18.0
Total	<u>305.0</u>	<u>373.9</u>	<u>371.0</u>	<u>358.0</u>	<u>326.1</u>	<u>311.0</u>	<u>300.9</u>	<u>302.9</u>	<u>298.3</u>	<u>288.3</u>
<u>Constitutional Officers:</u>										
Clerk of Court	57.0	54.0	54.0	56.0	57.0	52.0	50.5	50.5	51.5	47.5
Sheriff	279.0	295.0	279.0	285.0	278.0	278.0	285.0	285.0	279.0	279.0
Tax Collector	30.0	31.0	31.0	31.0	31.0	30.0	30.0	30.0	30.0	30.0
Property Appraiser	31.0	28.0	28.0	27.0	28.0	28.0	28.0	28.0	31.0	31.0
Supervisor of Elections	6.0	8.0	7.0	7.0	6.0	6.0	6.0	6.0	6.0	6.0
Total	<u>403.0</u>	<u>416.0</u>	<u>399.0</u>	<u>406.0</u>	<u>400.0</u>	<u>394.0</u>	<u>399.5</u>	<u>399.5</u>	<u>397.5</u>	<u>393.5</u>

Source: Flagler County Board of County Commissioners Budget Document

Schedule 17

FLAGLER COUNTY, FLORIDA**OPERATING INDICATORS****LAST TEN FISCAL YEARS**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government:										
Number of Building Permits Reviewed and Issued	3,590	3,081	2,596	2,029	2,033	1,914	1,931	1,560	1,940	1,555
Number of Registered Voters	84,972	82,192	78,193	78,586	73,296	69,290	70,337	66,515	65,814	62,869
Public Safety										
Physical Arrests by Sheriff's Department	2,934	3,124	2,708	2,649	2,794	2,845	2,759	3,350	3,616	3,202
Total Fire	1,789	2,714	2,869	4,564	5,301	1,258	962	793	1,010	950
Total EMS Runs	13,279	15,373	14,002	13,353	10,100	14,143	11,887	11,005	10,411	10,154
Flight Operations-Air Ambulance Transports	22	30	40	25	22	21	41	41	25	20
Human Services										
Number of acres sprayed by Mosquito Control	8,105	2,836	5,630	1,218	1,200	2,345	1,418	6,073	3,200	655
Meals on Wheels	19,495	24,150	27,735	26,361	21,449	25,245	27,775	30,630	27,590	36,499
Number of applicants for assistance	813	885	872	717	507	804	808	1,011	916	1,011
Culture Recreation										
Collection items circulated in County Libraries	479,115	414,423	406,000	411,988	418,053	428,284	443,261	447,450	451,741	479,294
Number of persons who visited County Libraries	299,633	291,630	315,398	291,352	289,846	318,039	318,039	337,659	360,561	407,444
Transportation										
Number of Trips	101,089	108,175	113,927	109,183	101,896	97,995	93,906	91,518	83,430	79,666
Physical Environment										
Wastewater flow, in millions of gallons	267.545	217.017	215.918	182.89	17.679	15.677	17.114	15.969	14.986	14.640
Drinking water flow, in millions of gallons	98.321	94.652	91.978	76.624	23.316	22.467	22.842	21.890	20.669	19.618
Number of water customers serviced	2,732	2377	2277	2307	522	482	497	465	458	462

(1) Information is unavailable

Source: Various Departments

Schedule 18
FLAGLER COUNTY, FLORIDA
CAPITAL ASSETS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<u>Program/Function:</u>										
Public Safety										
Fire/Rescue Vehicles	58	55	50	51	52	48	45	44	44	40
Fire Stations	8	8	7	7	7	7	7	7	7	7
Flight Operations Vehicles	2	2	2	2	2	2	2	2	2	2
Physical Environment										
Sanitary Landfill Site Acres	131.92	131.92	131.92	131.92	131.92	131.92	131.92	131.92	131.92	131.92
Transportation										
Miles of road maintained:										
Paved	96.966	96.966	95.52	95.52	95.52	95.52	95.52	95.52	95.52	92.98
Unpaved	135.63	135.63	133.70	133.70	133.70	133.70	133.70	131.70	131.70	131.70
Public Works Vehicles	20	22	22	24	27	28	27	27	30	28
Public Works Heavy Machinery	59	64	63	65	65	52	50	54	47	49
Transit Vehicles	43	38	41	40	41	38	40	39	34	31
Culture/Recreation										
Parks & Recreation:										
Acreage	9,599	9,599	9,599	9,599	9,599	9,599	6,400	6,400	6,400	6,400
Number of Parks	27	27	27	26	21	21	20	20	20	20
Number of Playgrounds	13	13	13	12	12	12	12	12	12	12
Number of Community Centers	7	7	7	7	7	7	7	7	7	7
Libraries	2	2	2	2	2	2	2	2	2	2

Source: Various departments

Schedule 19

FLAGLER COUNTY, FLORIDA**CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS****LAST TEN FISCAL YEARS**

	Fiscal Year 2019	Fiscal Year 2018
Total OPEB liability		
Service Cost	\$ 225,058	\$ 227,817
Interest	174,123	153,298
Changes of benefit terms	-	-
Differences between expected and actual experience	471,201	116,826
Changes of assumptions or other inputs	(543,516)	(179,015)
Benefit payments	(229,283)	(342,671)
Net change in total OPEB liability	\$ 97,583	\$ (23,745)
Total OPEB liability - beginning	4,863,553	4,887,298
Total OPEB liability - ending	\$ 4,961,136	\$ 4,863,553
 Covered-employee payroll	 \$ 32,999,963	 \$ 31,594,094
 Total OPEB liability as a percentage of Covered-employee payroll	 15.03%	 15.39%

Notes to schedule:

Update procedures used to roll forward TOL from prior valuation of October 1, 2016 to October 1, 2017 to obtain the end of year TOL.

Changes to benefit terms : None

Changes of assumptions:

Measurement Date	October 1, 2018	October 1, 2017	October 1, 2016
Discount Rate	3.83%	3.50%	3.10%

The benefit payments during the measurement period were \$342,671 as disclosed in the County's Comprehensive Annual Financial Report as of September 30, 2017.

This schedule will be built out to include a ten-year history.

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

Federal/ State Agency Federal Program/ State Project	CFDA Number	Contract/ Grant Number	Expenditures	Expenditures to Subrecipients
<u>FEDERAL AWARDS</u>				
<u>Department of the Interior (DOI)</u>				
Partners for Fish and Wildlife	15.631	F17AC00988	\$ 7,082	
			<u>7,082</u>	
<u>Violence Against Women's Office</u>				
Safe Havens: Supervised Visitation and Safe Exchange	16.527	2011-CW-AX-K014	26,176	
			<u>26,176</u>	
<u>Department of Justice (DOJ)</u>				
Passed through Florida Department of Law Enforcement:				
Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	2019-JAGC-FLAG-1-N2-120	37,760	
			<u>37,760</u>	
Passed through Florida Office of the Attorney General:				
Crime Victim Assistance	16.575	VOCA-2018-FCSO-00004	157,893	
			<u>157,893</u>	
Florida Coalition Against Domestic Violence	16.588	19-8051-LE-ENH-#1	96,141	
Florida Coalition Against Domestic Violence	16.588	19-8051-LE-Equipment	7,012	
			<u>103,153</u>	
<u>U.S. Department of Transportation</u>				
Direct Assistance:				
Federal Aviation Administration				
Airport Improvement Program	20.106	AIP #3-12-0009-019-2018	155,934	
			<u>155,934</u>	
<u>Transportation Department of (DOT)</u>				
Highway Planning & Construction	20.205	G1417;FPN:438635-1-38-01	687,630	
			<u>687,630</u>	
Federal Transit Administration				
Passed through Florida Department of Transportation:				
Formula Grants for Rural Areas and Tribal Transit Program	20.509	ARA98; 422633-2-84-35	26,487	
			<u>26,487</u>	
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	FL-16-X023-00	301,853	
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	G1615; FPN 436945-2-84-01	19,146	
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	G1607; FPN 436945-1-84-05	172,318	
			<u>493,317</u>	
Transit Services Programs Cluster				
<u>U.S. Election Assistance Commission</u>				
Passed through Florida Department of State, Division of Elections				
Help America Vote Act Requirements	90.401	MOA # 2015-2016-0006-FLA	29,427	
Help America Vote Act Requirements	90.401	MOA # 2017-2018-001-FLAG	6,597	
Help America Vote Act Requirements	90.401	MOA # 2018-2019-002-FLAG	8,340	
			<u>44,364</u>	

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

Federal/ State Agency Federal Program/ State Project	CFDA Number	Contract/ Grant Number	Expenditures	Expenditures to Subrecipients
<u>FEDERAL AWARDS (continued)</u>				
<u>U.S. Department of Health and Human Services</u>				
Passed through the Northeast Florida Agency on Aging				
Special Programs for the Aging, Title III B	93.044	A018FCBCC	33,489	
Special Programs for the Aging, Title III B	93.044	A019FCBCC	116,185	
Special Programs for the Aging, Title III C1	93.045	A018FCBCC	10,889	
Special Programs for the Aging, Title III C1	93.045	A019FCBCC	27,214	
Special Programs for the Aging, Title III C2	93.045	A018FCBCC	30,837	
Special Programs for the Aging, Title III C2	93.045	A019FCBCC	88,382	
Nutrition Services Incentive Program	93.053	A018FCBCC	5,074	
Nutrition Services Incentive Program	93.053	A019FCBCC	17,739	
Aging Cluster			<u>329,809</u>	
National Family Caregiver Support, Title III E	93.052	A018FCBCC	6,151	
National Family Caregiver Support, Title III E	93.052	A019FCBCC	49,540	
			<u>55,691</u>	
Low-Income Home Energy Assistance	93.568	P018FCBCC	9,833	
			<u>9,833</u>	
Passed through the Florida Department of Revenue				
Child Support Enforcement	93.563	COC18	92,077	
			<u>92,077</u>	
<u>Executive Office of The President</u>				
Office of National Drug Control and Policy				
Passed through St. Johns County				
High Intensity Drug Trafficking Areas Program	95.001	G18NF0001A	3,843	
			<u>3,843</u>	
<u>Department of Homeland Security</u>				
Passed through Florida Division of Emergency Management				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	17-PA-U5-04-28-02-091	356,640	
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z0014	1,599,491	
			<u>1,956,131</u>	
Hazard Mitigation Grant	97.039	H0010	55,186	
Hazard Mitigation Grant	97.039	H0022	63,581	
Hazard Mitigation Grant	97.039	H0067	62	
Hazard Mitigation Grant	97.039	H0076	165,385	
Hazard Mitigation Grant	97.039	H0079	62	
Hazard Mitigation Grant	97.039	H0094	40,013	
Hazard Mitigation Grant	97.039	H0095	137,855	
Hazard Mitigation Grant	97.039	H0098	51,603	
			<u>513,747</u>	
Passed through Volunteer Florida				
Emergency Management Performance Grants	97.042	CERT Contract 2018-2019	5,000	
Passed through Florida Division of Emergency Management				
Emergency Management Performance Grants	97.042	D9071; 19-FG-AF-04-28-01-071	60,668	
Emergency Management Performance Grants	97.042	G0019	8,622	
			<u>74,290</u>	
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,775,217</u>	<u>\$ -</u>

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

Federal/ State Agency Federal Program/ State Project	CSFA Number	Contract/ Grant Number	Expenditures	Expenditures to Subrecipients
<u>STATE FINANCIAL ASSISTANCE</u>				
<u>Executive Office of the Governor</u>				
Passed through Florida Division of Emergency Management				
Emergency Management Programs	31.063	19-BG-21-04-28-01-014	\$ 103,540	
Emergency Management Programs	31.063	A0023	1,449	
			<u>104,989</u>	
Emergency Management Project	31.067	14-CP-11-04-28-01-379	252	
Emergency Management Project	31.067	15-CP-11-04-28-01-181	3,029	
Emergency Management Project	31.067	16-CP-11-04-28-01-164	2,453	
Emergency Management Project	31.067	17-CP-11-04-28-01-218	2,982	
Emergency Management Project	31.067	18-CP-11-04-28-01-103	2,614	
Emergency Management Project	31.067	19-CP-11-04-28-01-087	2,117	
			<u>13,447</u>	
Emergency Management Project	31.068	19-SR-2019-18-1P-F0008	23,279	
			<u>23,279</u>	
<u>Department of Environmental Protection</u>				
Beach Management Funding Assistance Program	37.003	17FL1	2,540,158	
			<u>2,540,158</u>	
Small County Consolidated Grant	37.012	SC907	40,940	
			<u>40,940</u>	
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP18061	337,000	
			<u>337,000</u>	
Wastewater Treatment Facility Construction	37.077	WW180502	3,214,783	
			<u>3,214,783</u>	
Florida Communities Trust (Florida Forever Funded Grant Program)	37.078	S0928; FCT #11-026-FF11	1,638,896	
			<u>1,638,896</u>	
<u>Florida Housing Finance Corporation</u>				
State Housing Initiatives Partnership Program (SHIP)	40.901	SHIP 2018-2019	321,750	
			<u>321,750</u>	
<u>Department of State and Secretary of State</u>				
State Aid to Libraries	45.030	19-ST-10	26,107	
			<u>26,107</u>	
<u>Florida Department of Transportation</u>				
Florida Commission for the Transportation Disadvantaged (CTD), Trip and Equipment Grant Program	55.001	G1A25; 43202718401/43202818401	77,006	
Florida Commission for the Transportation Disadvantaged (CTD), Trip and Equipment Grant Program	55.001	G0X23; 43202911401	321,264	
Florida Commission for the Transportation Disadvantaged (CTD), Trip and Equipment Grant Program	55.001	G0Y03;43202718401	16,602	
			<u>414,872</u>	
Aviation Grant Programs	55.004	G1B80; 404921-1-94-01	89,400	
Aviation Grant Programs	55.004	G0Z08; 437025-1-94-01	283,583	
			<u>372,983</u>	

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

Federal/ State Agency Federal Program/ State Project	CSFA Number	Contract/ Grant Number	Expenditures	Expenditures to Subrecipients
<u>Department of Transportation (continued)</u>				
County Incentive Grant Program (CIGP)	55.008	AR106; 415964-1-38-01	28,426	
County Incentive Grant Program (CIGP)	55.008	GOU37; 437209-1-34-01	314,883	
County Incentive Grant Program (CIGP)	55.008	GOU38; 435641-1-34-01	203,606	
County Incentive Grant Program (CIGP)	55.008	G0V02; 433729-1-54-02	1,381,150	
			<u>1,928,065</u>	
Small County Outreach Program (SCOP)	55.009	G0A08; 424351-2-54-01	1,474,362	
Small County Outreach Program (SCOP)	55.009	G0E99; 435300-1-54-01	4,631	
Small County Outreach Program (SCOP)	55.009	G0O86; 435633-1-34-01	429,248	
Small County Outreach Program (SCOP)	55.009	G0O85; 435291-1-34-01	1,160,730	
			<u>3,068,971</u>	
Public Transit Block Program	55.010	GOY77; 440803-1-84-01	241,004	
Public Transit Block Program	55.010	G1658; 440803-1-84-02	61,152	
			<u>302,156</u>	
Small County Road Assistance Program (SCRAP)	55.016	G1551; 435301-1-54-02	2,305,544	
			<u>2,305,544</u>	
<u>Department of Elder Affairs</u>				
Passed through the Northeast Florida Agency on Aging				
Home Care for the Elderly	65.001	H018FCBCC	2,266	
Home Care for the Elderly	65.001	H019FCBCC	74	
			<u>2,340</u>	
Alzheimer's Respite Services	65.004	Z018FCBCC	93,366	
Alzheimer's Respite Services	65.004	Z019FCBCC	31,341	
			<u>124,707</u>	
Local Services Programs	65.009	L018FCBCC	20,714	
Local Services Programs	65.009	L019FCBCC	6,746	
			<u>27,460</u>	
Community Care for the Elderly	65.010	C018FCBCC	131,364	
Community Care for the Elderly	65.010	C019FCBCC	48,305	
			<u>179,669</u>	
<u>Department of Management Services- State of Florida E911 Board</u>				
Prepaid Next Generation 911 State Grant Program	72.003	S12-19-02-05	89,420	
			<u>89,420</u>	
<u>Florida Fish and Wildlife Conservation Commission</u>				
Derelict Vessel Removal Program	77.005	17363	5,562	
			<u>5,562</u>	
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 17,083,098</u>	<u>\$ -</u>

FLAGLER COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

(1) Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal and State award activity of Flagler County, Florida for the year ended September 30, 2019. The information in this schedule is presented in accordance with the 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.

(2) Summary of Significant Accounting Policies:

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized when they become a demand on current available financial resources. Expenditures on contracts dated before or on December 26, 2014 are recognized following the cost principles in OMB Circular A-133, and expenditures on all subsequent contracts are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The County did not charge an indirect cost rate to any federal or state programs.

(4) Sub-recipients

Of the expenditures presented in the accompanying schedule of federal awards and state financial assistance, no awards were provided to sub-recipients.

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

The Honorable County Commissioners
Flagler County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Flagler County, Florida's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement 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. The County's major federal program and state projects are identified in the summary of auditors' 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.

Auditors' 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 noncompliance 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 qualified and unmodified opinions on compliance for major federal programs and state projects. However, our audit does not provide a legal determination of the County's compliance.

Basis for Qualified Opinion on CSFA 55.001 Florida Commission for the Transportation Disadvantaged

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding CSFA 55.001 Florida Commission for the Transportation Disadvantaged as described in finding number 2019-002 for Allowable Activities/Costs. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that project.

Qualified Opinion on CSFA 55.001 Florida Commission for the Transportation Disadvantaged

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, 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 CSFA 55.001 Florida Commission for the Transportation Disadvantaged for the year ended September 30, 2019.

Unmodified Opinion on Each Major Federal Program and Other Major State Projects

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 other major state projects identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended September 30, 2019.

Other Matters

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over

compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 a 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-002 that we consider to be a material weakness.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Cam, Riggs & Ingram, L.L.C.

St. Augustine, Florida

June 26, 2020

Schedule of Findings and Questioned Costs

PART I – SUMMARY OF AUDITORS' RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted? | No |

Federal and State Awards:

- | | |
|---|------------|
| 1. Type of auditors' report issued on compliance for major programs: | |
| a. CSFA 55.001 Florida Commission for the Transportation Disadvantaged | Qualified |
| b. All other major federal and state awards | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weaknesses identified? | No/Yes |
| b. Significant deficiencies identified (not considered material weaknesses)? | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) or Chapter 10.557? | No/Yes |
| 4. Identification of major programs: | |

<u>CFDA Number</u>	<u>Federal Program</u>
97.036	Disaster Grants – Public Assistance
<u>CSFA Number</u>	<u>State Project</u>
37.078	Florida Communities Trust
55.001	Florida Commission for the Transportation Disadvantaged
55.009	Small County Outreach Program (SCOP)
55.016	Small County Road Assistance Program (SCRAP)
37.077	Wastewater Treatment Facility Construction

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B Federal programs: | \$750,000 |
| 6. Dollar threshold used to distinguish between type A and type B State projects: | \$750,000 |
| 7. Auditee qualified as low-risk auditee under 2 CFR 200.520? | No |

Schedule of Findings and Questioned Costs

PART II – FINANCIAL STATEMENT FINDINGS

2019-001 (Previously reported as 2018-001)

Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance

Criteria: 2 CFR 200.510(b) (and Florida statute 69I-5.003) requires non-Federal (and non-State) entities to prepare a schedule of expenditures of federal awards (and state financial assistance) for the period covered by the financial statements, including the total federal awards (and state financial assistance) expended. Management is responsible for the preparation of an accurate and complete schedule of expenditures of federal awards (and state financial assistance).

Condition: The final expenditure balances for certain grants were not provided accurately and timely. Multiple revisions were provided after receipt of the initial schedule.

Cause: A lack of management oversight resulted in the incomplete schedule.

Effect: Failure to properly and timely prepare the schedule could affect the selection of major programs and projects, which could impact the County's compliance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General.

Recommendation: We recommend utilizing a grant administrator who oversees the preparation of the schedule of expenditures of federal awards and state financial assistance. The administrator's responsibility could include oversight of all grants to ensure compliance, and that final expenditure amounts are calculated and carried to the schedule accurately and timely.

Views of responsible officials: See accompanying corrective action plan.

PART III – FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS

There were no findings relative to the major federal program.

PART IV – FINDINGS AND QUESTIONED COSTS – STATE PROJECTS

2019-002 (Previously reported as 2018-003 and 2017-001)

State Award Allowable Activities and Costs Requirements

Florida Commission for the Transportation Disadvantaged – CSFA 55.001

Contracts G1A25, GOX23, and GOY03, 2018 and 2019

FM/Job No: 43202718401/43202911401/43202818401, Florida Dept of Transportation

Questioned costs – Known questioned costs of \$46 and likely questioned costs of \$28,478 were computed based on reimbursements for trips provided to participants without documentation of their disadvantaged status.

Schedule of Findings and Questioned Costs

Criteria: Florida statutes 215.97(1)(b) promotes sound financial management, including effective internal controls, with respect to State financial assistance administered by nonstate entities. Evidence of the allowability of activity and cost for participants in the project for transportation disadvantaged must be documented and retained to show compliance.

Condition: The County was unable to produce several of the required internal intake forms. In total, 5 of the 60 forms requested were not produced.

Cause: The forms could not be located due to inadequate recordkeeping. Forms are only stored for a certain number of years and then destroyed. However, some of the forms destroyed were for current participants.

Effect: Noncompliance with allowable activities and costs grant requirements.

Recommendation: We recommended amending the documentation retention policy to maintain forms indefinitely as long as participants continue to use the County's transportation services, which the County has implemented. We also recommend requiring new forms to be completed by all participants from time to time to ensure no changes in a participant's situation, which could impact the allowability of providing transportation. The County is still in the process of obtaining forms from all participants.

Views of responsible officials: See accompanying corrective action plan.

PART V – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

Financial Statement Findings:

2018-001 – Incomplete schedule of expenditures of federal awards and state financial assistance schedule – Material Weakness – Repeated as 2019-001

Federal Award Findings:

2018-002 – Missing supporting documentation for certain equipment hours – Significant Deficiency - Corrected

State Award Findings:

2018-003 – Missing documentation evidencing transportation disadvantaged status – Material Weakness – Repeated as 2019-002

2018-004 – Lack of management oversight of grant award – Material Weakness – Corrected

INDEPENDENT AUDITORS' 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 County Commissioners
Flagler County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Flagler 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 June 26, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a material weakness.

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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported in separately issued reports for the County's constitutional officers.

The County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County'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.

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.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 26, 2020

MANAGEMENT LETTER

The Honorable County Commissioners
Flagler County, Florida

Report on the Financial Statements

We have audited the financial statements Flagler County, Florida (the "County"), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 26, 2020.

Auditors' 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 Auditors' 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 Auditors' 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 Accountants' 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 and schedule, which are dated June 26, 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 financial audit report. The findings identified as 2018-001 and 2018-003 in the prior year audit repeated in the current year as 2019-001 and 2019-002. The findings identified as 2018-002 and 2018-004 in the prior year audit were corrected in the current year.

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.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 Board of County Commissioners of Flagler County, Florida, 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 the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 26, 2020

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

The Honorable County Commissioners
Flagler County, Florida

We have examined Flagler County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified 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 the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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 for the year ended September 30, 2019.

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 26, 2020

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

The Honorable County Commissioners
Flagler County, Florida

We have examined Flagler County, Florida's (the County) compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2019. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified 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 the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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 for the year ended September 30, 2019.

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

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
June 26, 2020

Financial Services

1769 E. Moody Blvd Bldg 2
Bunnell, FL 32110



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Phone: (386) 313-4008

Fax: (386) 313-4108

June 26, 2020

Independent Audit for Fiscal Year Ending September 30, 2019

Corrective Action Plan for Flagler County, Florida

Part II – Financial Statement Findings

2019-001: (Previously reported as 2018-001)

Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance

Condition: The final expenditure balances for certain grants were not provided accurately and timely. Multiple revisions were provided after receipt of the initial schedule.

Recommendation: We recommend utilizing a grant administrator who oversees the preparation of the schedule of expenditures of federal awards and state financial assistance. The administrator's responsibility could include oversight of all grants to ensure compliance, and that final expenditure amounts are calculated and carried to the schedule accurately and timely.

Corrective Action: The Financial Services Department implemented the corrective action from the previous audit finding (2018-001); however, the work load proved to be more than what one analyst could absorb as an added task while still completing their previous duties. In early 2020, the County moved forward with creating and funding a new class designation titled Grant and Project Accountant to work on all grant related oversight including the preparation of the schedule of expenditures of federal awards and state financial assistance. The COVID-19 Pandemic has delayed this hire; however, at the time of this writing the position is posted to be filled.

Contact Person – E. John Brower, Financial Services Director

Completion Date – December 31, 2020

Part IV – Findings and Questioned Costs – State Projects

2019-002: (Previously reported as 2018-003 and 2017-001)

State Award Allowable Activities and Costs Requirements Florida Commission for the Transportation Disadvantaged – CSFA 55.001 Contracts G1A25, GOX23, and GOY03, 2018 and 2019 FM/Job No: 43202718401/43202911401/43202818401, Florida Dept. of Transportation

Questioned costs – Known questioned costs of \$46 and likely questioned costs of \$28,478 were computed based on reimbursements for trips provided to participants without documentation of their disadvantaged status.

Condition: The County was unable to produce several of the required internal intake forms. In total, 5 of the 60 forms requested were not produced.

Recommendation: We recommended amending the documentation retention policy to maintain forms indefinitely as long as participants continue to use the County's transportation services, which the County has implemented. We also recommend requiring new forms to be completed by all participants from time to time to ensure no changes in a participant's situation, which could impact the allowability of providing transportation. The County is still in the process of obtaining forms from all participants.

Corrective Action: Flagler County Public Transportation initiated a system-wide reapplication process for every individual rider, totaling over 1800 passengers, immediately after the results of the 2018 audit. During this time of mailing out redesigned applications for service and explaining to riders the need for reapplication and supporting eligibility documents, FCPT continued to provide trips to those who did not return the updated application in a timely manner in order to prevent an interruption of life sustaining activities to the most disadvantaged members of our community. Flagler County Public Transportation has taken the necessary steps to identify these individuals and ensure that these passengers have completed the reapplication process before reserving any trips in the future, eliminating any lapse in future documentation. Of the approximate 1800+ clients, only 100 clients failed to update their application. If the completed applications are not received within 30 days, they will have to restart the application process entirely.

Contact Person – Heidi Petito, General Services Director

Completion Date – Already implemented

CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
AUDIT REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
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SEPTEMBER 30, 2019**

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INDEPENDENT AUDITORS' REPORT

The Honorable Tom Bexley
Clerk of the Circuit Court & Comptroller
Flagler County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Flagler County, Florida Clerk of the Circuit Court & Comptroller (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office'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.

Auditors' Responsibility

Our responsibility is to express opinions 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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 Office as of September 30, 2019, and the respective changes in financial position, where applicable, thereof 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 of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2020, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida

May 7, 2020

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	General Fund	Court Operations	Court Technology	Records Modernization	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 2,273,321	\$ 348,517	\$ 259,747	\$ 257,965	\$ 3,139,550
Accounts receivable	3,963	1,890	371	319	6,543
Due from other funds	-	1,189	-	-	1,189
Due from Board of County Commissioners	196	-	-	-	196
Due from other governments	2,333	49,129	578	215	52,255
Prepaid expenditures	13,520	32,670	2,471	824	49,485
Other assets	2,108	2,975	-	-	5,083
TOTAL ASSETS	\$ 2,295,441	\$ 436,370	\$ 263,167	\$ 259,323	\$ 3,254,301
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued liabilities	\$ 112,430	\$ 27,846	\$ 1,435	\$ 24	\$ 141,735
Due to Board of County Commissioners	294,472	-	-	-	294,472
Due to other governments	785,817	375,854	-	-	1,161,671
Deposits	1,089,202	-	-	-	1,089,202
TOTAL LIABILITIES	2,281,921	403,700	1,435	24	2,687,080
FUND BALANCES					
Nonspendable:					
Prepaid expenditures	13,520	32,670	2,471	824	49,485
Restricted for					
Court related	-	-	259,261	-	259,261
Records modernization	-	-	-	258,475	258,475
TOTAL FUND BALANCES	13,520	32,670	261,732	259,299	567,221
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,295,441	\$ 436,370	\$ 263,167	\$ 259,323	\$ 3,254,301

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

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

	General Fund	Court Operations	Court Technology	Records Modernization	Total Governmental Funds
REVENUES					
Other permit fees and special assessments	\$ 228	\$ -	\$ -	\$ -	\$ 228
Intergovernmental	-	346,458	-	-	346,458
Charges for services	743,796	1,469,180	253,304	86,576	2,552,856
Fines and forfeitures	-	245,379	-	-	245,379
Miscellaneous revenue	5,720	297	-	-	6,017
Investment income	10,008	11,757	1,119	892	23,776
TOTAL REVENUES	759,752	2,073,071	254,423	87,468	3,174,714
EXPENDITURES					
Current					
General government					
Personal services	1,938,363	-	-	-	1,938,363
Operating expenses	309,905	-	-	33,367	343,272
Capital outlay	44,414	-	-	-	44,414
Court related					
Personal services	21,743	1,512,002	121,252	-	1,654,997
Operating expenses	21,480	177,737	139,524	-	338,741
TOTAL EXPENDITURES	2,335,905	1,689,739	260,776	33,367	4,319,787
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,576,153)	383,332	(6,353)	54,101	(1,145,073)
OTHER FINANCING SOURCES (USES)					
Appropriation from- Board of County Commissioners	1,830,127	-	-	-	1,830,127
Reversion to other governments	-	(383,332)	-	-	(383,332)
Reversion to Board of County Commissioners	(271,010)	-	-	-	(271,010)
TOTAL OTHER FINANCING SOURCES (USES)	1,559,117	(383,332)	-	-	1,175,785
NET CHANGE IN FUND BALANCES	(17,036)	-	(6,353)	54,101	30,712
FUND BALANCES, BEGINNING OF YEAR	30,556	32,670	268,085	205,198	536,509
FUND BALANCES, END OF YEAR	\$ 13,520	\$ 32,670	\$ 261,732	\$ 259,299	\$ 567,221

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

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
SEPTEMBER 30, 2019**

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 1,521,273
Due from other governments	86
TOTAL ASSETS	\$ 1,521,359
LIABILITIES	
Accounts payable	\$ 25,256
Due to other funds	1,189
Due to Board of County Commissioners	35,815
Due to constitutional officers	2,022
Due to other governments	110,784
Deposits	1,346,293
TOTAL LIABILITIES	1,521,359
NET POSITION	\$ -

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

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - Summary of Significant Accounting Policies:

The accounting policies of the Flagler County Clerk of the Circuit Court & Comptroller (the "Clerk") conform to the generally accepted accounting principles as applicable to governments. The following is a summary of the significant accounting policies.

Reporting Entity

The Clerk, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Clerk's Office is operationally autonomous from the Board of County Commissioners (the Board), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is an integral part of Flagler County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Clerk's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Clerk has not presented reconciliations to the government-wide financial statements, the government-wide statements, management's discussion and analysis or the pension or other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement, rather than duplicate, the notes included in the County's countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Flagler County, Florida, that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

Accounts 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 asset, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All non-major funds are aggregated and displayed in a single column.

The Clerk reports the following governmental funds:

General Fund – The General Fund of the Clerk is used to account for and report all financial resources which are generated from non-court related operations of the Clerk's Office, appropriations from the Board of County Commissioners, and any other resources not required to be accounted for and reported in another fund.

Court Operations – The Court Operations Fund of the Clerk is used primarily to account for all financial resources that are generated from court operations of the Clerk's Office. Said resources are to be used specifically as noted in FS 28.35(3)(a) and FS 28.37(2).

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - Summary of Significant Accounting Policies: (Continued)

Court Technology – The Court Technology Fund of the Clerk is used to account for certain revenues as noted in FS 28.24 that are to be used exclusively for court related functions in accordance with FS 29.008.

Records Modernization – The Records Modernization Fund of the Clerk is used to account for certain revenue that is to be “held in trust by the clerk and used exclusively for equipment and maintenance of equipment, personnel training and technical assistance in modernizing the public records system in the Office in accordance with FS 28.24 (12)(d).

Additionally, the Clerk also reports the following fiduciary funds:

Agency Funds – The Agency Funds of the Clerk are used to account for assets held by the Clerk in a custodial capacity.

Fund Balance

The Clerk follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Clerk is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of the other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Clerk’s highest decision-making authority, which is a policy of the Clerk. Committed amounts cannot be used for any other purpose unless the Clerk removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Clerk’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Clerks policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - Summary of Significant Accounting Policies: (Continued)

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. This reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Chapter 218, Florida Statutes provide that the amount by which the General Fund revenue and transfers exceed annual expenditures be remitted to the Board of County Commissioners immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized. The amount of this distribution is recorded as a liability and as other financing uses in the accompanying financial statements.

Based on the legal opinion provided by Clerks of Court Operations Corporation general counsel of the provisions of Section 28.37(3), F.S., which was adopted as policy by the CCOC Finance and Budget Committee, all excess court-related funds at year end September 30, 2019 have been included in a fund liability, Due to Other Governments.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Capital assets used by the Clerk are recorded and accounted for by the Flagler County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - Summary of Significant Accounting Policies: (Continued)

Cash and Equivalents

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified depository is required by law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely collateralized throughout the fiscal year.

Prepaid Expenditures

Certain payments to vendors for software maintenance agreements applicable to future accounting periods are recorded as prepaid expenditures in the accompanying financial statements. An offsetting non-spendable fund balance is reported in the fund financial statements to indicate that prepaid expenditures do not represent available spendable resources.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates and assumptions. Actual amounts could differ from those estimates.

NOTE 2 - Lease Commitments:

The Clerk has two operating leases for office equipment. The leases expire at varying dates. Monthly payments range from \$422 to \$2,069. Lease payments for the year ended September 30, 2019 was \$38,444. The future minimum lease payments for the next three years are as follows:

Year Ending September 30,	Amount
2020	\$ 29,888
2021	23,682
2022	5,064
	<u>\$ 58,634</u>

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3 - Interfund Balances and Transfers:

These balances represent loans between the borrower and the lender funds. These resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. At September 30, 2019, interfund balances consisted of:

	Due From Other Funds	Due To Other Funds
Governmental funds:		
Court Operations	\$ 1,189	\$ -
Agency funds:		
Child Support	-	1,189
Totals	<u>\$ 1,189</u>	<u>\$ 1,189</u>

NOTE 4 - Due From/To Entities of Flagler County:

At September 30, 2019, the amounts due from/to entities of Flagler County consist of the following:

<u>General Fund</u>	
Due from Board of County Commissioners	<u>\$ 196</u>
Due from entities of Flagler County	<u>\$ 196</u>
<u>General Fund</u>	
Due to Board of County Commissioners	\$ 294,472
<u>Agency Funds</u>	
Due to Sheriff	2,022
Due to Board of County Commissioners	<u>35,815</u>
Due to entities of Flagler County	<u>\$ 332,309</u>

There were \$271,010 of excess revenues over expenditures reverted to the Board of County Commissioners.

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 5 - Risk Management:

The Clerk participates in the Flagler County risk management program. The Board of County Commissioners maintains a Group Medical Benefit Internal Service Fund for life and health insurance. During the current year, the Clerk remitted \$578,646 to the Board for insurance coverage. Information regarding the program's coverage, self-insurance reserves and program administration can be found in the basic financial statements of the Flagler County Board of County Commissioners for the year ended September 30, 2019.

REQUIRED SUPPLEMENTARY INFORMATION

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Other permit fees and special assessments	\$ -	\$ -	\$ 228	\$ 228
Charges for services	704,700	743,900	743,796	(104)
Miscellaneous revenue	5,400	6,000	5,720	(280)
Investment income	6,600	10,000	10,008	8
TOTAL REVENUES	<u>716,700</u>	<u>759,900</u>	<u>759,752</u>	<u>(148)</u>
EXPENDITURES				
Current				
General government				
Personal services	2,005,694	1,944,044	1,938,363	5,681
Operating expenses	246,178	309,179	309,905	(726)
Capital outlay	81,850	39,300	44,414	(5,114)
Court related				
Personal services	-	22,025	21,743	282
Operating expenses	11,105	21,505	21,480	25
TOTAL EXPENDITURES	<u>2,344,827</u>	<u>2,336,053</u>	<u>2,335,905</u>	<u>148</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,628,127)</u>	<u>(1,576,153)</u>	<u>(1,576,153)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Appropriation from- Board of County Commissioners	1,828,127	1,830,127	1,830,127	-
Reversion to Board of County Commissioners	-	(253,974)	(271,010)	(17,036)
Transfer out- other funds	(200,000)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,628,127</u>	<u>1,576,153</u>	<u>1,559,117</u>	<u>(17,036)</u>
NET CHANGE IN FUND BALANCES	-	-	(17,036)	(17,036)
FUND BALANCES, BEGINNING OF YEAR	-	-	30,556	30,556
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,520</u>	<u>\$ 13,520</u>

Note to schedule:

The schedule is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- COURT OPERATIONS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	\$ 266,422	\$ 341,022	\$ 346,458	\$ 5,436
Charges for services	1,184,300	1,184,300	1,469,180	284,880
Fines and forfeitures	217,166	217,166	245,379	28,213
Miscellaneous revenue	-	-	297	297
Investment income	7,700	7,700	11,757	4,057
TOTAL REVENUES	<u>1,675,588</u>	<u>1,750,188</u>	<u>2,073,071</u>	<u>322,883</u>
EXPENDITURES				
Court related				
Personal services	1,568,918	1,553,958	1,512,002	41,956
Operating expenses	106,670	190,297	177,737	12,560
TOTAL EXPENDITURES	<u>1,675,588</u>	<u>1,744,255</u>	<u>1,689,739</u>	<u>54,516</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>5,933</u>	<u>383,332</u>	<u>377,399</u>
OTHER FINANCING SOURCES (USES)				
Reversion to other governments	-	(5,933)	(383,332)	(377,399)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(5,933)</u>	<u>(383,332)</u>	<u>(377,399)</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>32,670</u>	<u>32,670</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,670</u>	<u>\$ 32,670</u>

Notes to schedule:

The schedule is prepared on a basis that does not differ materially from generally accepted accounting principles. Pursuant to Section 28.36, Florida Statutes, the budget is subject to the General Appropriations Act of the Florida Legislature. The fund is the legal level on control.

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- COURT TECHNOLOGY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Charges for services	\$ 235,000	\$ 253,300	\$ 253,304	\$ 4
Investment income	750	750	1,119	369
TOTAL REVENUES	<u>235,750</u>	<u>254,050</u>	<u>254,423</u>	<u>373</u>
EXPENDITURES				
Court related				
Personal services	113,549	121,300	121,252	48
Operating expenses	175,810	141,009	139,524	1,485
Capital outlay	35,450	-	-	-
TOTAL EXPENDITURES	<u>324,809</u>	<u>262,309</u>	<u>260,776</u>	<u>1,533</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(89,059)</u>	<u>(8,259)</u>	<u>(6,353)</u>	<u>1,906</u>
FUND BALANCES, BEGINNING OF YEAR	<u>272,000</u>	<u>272,000</u>	<u>268,085</u>	<u>(3,915)</u>
FUND BALANCES, END OF YEAR	<u>\$ 182,941</u>	<u>\$ 263,741</u>	<u>\$ 261,732</u>	<u>\$ (2,009)</u>

Notes to schedule:

The schedule is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control. The final budget reflects correction of clerical error in amendment of operating expenses.

**CLERK OF THE CIRCUIT COURT & COMPTROLLER
FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES- BUDGET and ACTUAL- RECORDS MODERNIZATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
REVENUES				
Charges for services	\$ 80,000	\$ 86,500	\$ 86,576	\$ 76
Investment income	500	900	892	(8)
TOTAL REVENUES	<u>80,500</u>	<u>87,400</u>	<u>87,468</u>	<u>68</u>
EXPENDITURES				
Current				
General government				
Operating expenses	38,981	33,781	33,367	414
Capital Outlay	11,700	-	-	-
TOTAL EXPENDITURES	<u>50,681</u>	<u>33,781</u>	<u>33,367</u>	<u>414</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>29,819</u>	<u>53,619</u>	<u>54,101</u>	<u>482</u>
FUND BALANCES, BEGINNING OF YEAR	<u>202,000</u>	<u>205,198</u>	<u>205,198</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 231,819</u>	<u>\$ 258,817</u>	<u>\$ 259,299</u>	<u>\$ 482</u>

Note to schedule:

The schedule is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

**ADDITIONAL ELEMENTS REQUIRED BY THE
RULES OF THE AUDITOR GENERAL**

MANAGEMENT LETTER

The Honorable Tom Bexley
Clerk of the Circuit Court & Comptroller
Flagler County, Florida

Report on the Financial Statements

We have audited the financial statements of the office of the Flagler County, Florida Clerk of the Circuit Court & Comptroller (the "Office"), as of and for the year ended September 30, 2019, and have issued our report thereon dated May 7, 2020.

Auditors' Responsibility

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.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' 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 May 7, 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. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. Corrective actions have been taken to address findings and recommendations identified as 2018-001 made in the preceding annual financial audit report.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 Flagler County, Florida Clerk of the Circuit Court & Comptroller, 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 the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida
May 7, 2020



INDEPENDENT AUDITORS' 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 Tom Bexley
Clerk of the Circuit Court & Comptroller
Flagler 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 each major fund and the aggregate remaining fund information of the office of the Flagler County, Florida Clerk of the Circuit Court & Comptroller (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated May 7, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
May 7, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Tom Bexley
Clerk of the Circuit Court & Comptroller
Flagler County, Florida

We have examined the office of the Flagler County, Florida Clerk of the Circuit Court & Comptroller's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Office 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
May 7, 2020



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

The Honorable Tom Bexley
Clerk of the Circuit Court & Comptroller
Flagler County, Florida

We have examined the office of the Flagler County, Florida Clerk of the Circuit Court & Comptroller's (the "Office") compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Office 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
May 7, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

The Honorable Tom Bexley
Clerk of the Circuit Court & Comptroller
Flagler County, Florida

We have examined the office of the Flagler County, Florida Clerk of the Circuit Court & Comptroller's compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office'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 Office complied, in all material respects, with the specified requirements reference above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Office 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
May 7, 2020

**Flagler County, Florida
Sheriff**

Audit Report

September 30, 2019

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September 30, 2019

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INDEPENDENT AUDITORS' REPORT

The Honorable Rick Staly
Sheriff
Flagler County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Flagler County, Florida Sheriff (the "Office") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office'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.

Auditors' Responsibility

Our responsibility is to express opinions 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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 Office as of September 30, 2019, and the respective changes in financial position, where applicable, thereof 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 of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The supplementary 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 supplementary 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 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 supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2020, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

St Augustine, Florida

June 9, 2020

Balance Sheet
Governmental Funds
September 30, 2019

	General Fund	Inmate Welfare Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and equivalents	\$ 749,201	\$ 120,629	\$ 7,716	\$ 877,546
Due from other county agencies	324,223	-	-	324,223
Due from other governments	276,386	-	-	276,386
Due from other funds	6,159	-	-	6,159
Accounts receivable	47,749	10,835	-	58,584
Total assets	\$ 1,403,718	\$ 131,464	\$ 7,716	\$ 1,542,898
Liabilities				
Accounts payable and accrued liabilities	\$ 463,303	\$ 649	\$ -	\$ 463,952
Accrued wages	395,092	-	-	395,092
Due to other county agencies	179,180	-	-	179,180
Due to other funds	-	6,159	-	6,159
Total liabilities	1,037,575	6,808	-	1,044,383
Fund balances				
Restricted:				
Law enforcement education	-	-	7,427	7,427
Federal equitable sharing	-	-	289	289
Contractual obligations for capital acquisitions	366,143	-	-	366,143
Committed:				
Inmate benefits	-	124,656	-	124,656
Total fund balances	366,143	124,656	7,716	498,515
Total liabilities and fund balances	\$ 1,403,718	\$ 131,464	\$ 7,716	\$ 1,542,898

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended September 30, 2019

	General Fund	Inmate Welfare Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Intergovernmental	\$ 349,784	\$ -	\$ -	\$ 349,784
Charges for services	4,549,519	136,982	7,000	4,693,501
Miscellaneous	11,108	-	-	11,108
Total revenues	4,910,411	136,982	7,000	5,054,393
Expenditures				
Current:				
Public safety:				
Personal services	25,385,490	-	-	25,385,490
Operating expenditures	4,655,244	74,917	9,888	4,740,049
Capital outlay	1,669,521	-	-	1,669,521
Court related:				
Personal services	768,285	-	-	768,285
Operating expenditures	19,808	-	-	19,808
Debt service:				
Principal	412,786	-	-	412,786
Interest	33,882	-	-	33,882
Total expenditures	32,945,016	74,917	9,888	33,029,821
Excess of revenues over (under)				
expenditures	(28,034,605)	62,065	(2,888)	(27,975,428)
Other financing sources (uses)				
Appropriation from board of county commissioners	27,004,828	-	-	27,004,828
Reversion to board of county commissioners	(20,910)	-	-	(20,910)
Proceeds from issuance of long-term debt	1,200,000	-	-	1,200,000
Total other financing sources (uses)	28,183,918	-	-	28,183,918
Net change in fund balances	149,313	62,065	(2,888)	208,490
Fund balances - beginning of year	216,830	62,591	10,604	290,025
Fund balances - end of year	\$ 366,143	\$ 124,656	\$ 7,716	\$ 498,515

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Flagler County, Florida Sheriff

Statement of Fiduciary Net Position
September 30, 2019

	Agency Funds
Assets	
Cash and equivalents	\$ 31,323
Total assets	31,323
Liabilities	
Accounts payable	9,905
Due to other county agencies	6,622
Assets held for others	14,796
Total liabilities	31,323
Net position	\$ -

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Flagler County, Florida Sheriff Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Flagler County, Florida Sheriff (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of State law.

The Office is an integral part of Flagler County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

Accounts 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, 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. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Inmate Welfare Fund – This fund is used to account for revenues and expenditures related to the commissary operations of the detention facility.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Office also reports the following nonmajor governmental funds:

Police Education Fund – This fund is used to account for its share of revenues pursuant to Florida Statutes 938.15 and expenditures related to law enforcement education.

Federal Equitable Sharing Fund – This fund is used to account for and report resources received under the U.S. Department of Justice’s Equitable Sharing program.

The Office also reports the following fiduciary funds:

Agency Funds – Agency Funds are used to account for assets held by the Office in a custodial capacity. Agency Funds are comprised of the following:

Inmate Trust Fund – This fund is used to account for revenues and expenditures of funds held on behalf of inmates during their time in the detention facility.

Suspense Fund – This fund is used to account for funds held on behalf of others (typically defendants) until a case has reached resolution.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office’s highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities of the governmental funds. Such amounts are instead reported in the government-wide financial statements of the County.

Cash and Equivalents

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified public depository is required by law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Flagler County, Florida Sheriff
Notes to Financial Statements

NOTE 2 – OPERATING LEASES

The Office had an operating lease for facilities that expired during the year. After expiration, the Office continued to rent on a month-to-month basis. The Office entered into a new operating lease for facilities which expires May 31, 2021. The monthly rent during the lease term is \$3,500. Rent expenditures under these agreements for the year ended September 30, 2019, were \$74,458. The future minimum payments for the remaining terms are as follows:

Year ending September 30,	Amount
2020	\$ 42,000
2021	28,000
Total	\$ 70,000

NOTE 3 – INTERFUND BALANCES

The following are the interfund balances as of September 30, 2019.

	Due from	Due to
General fund	\$ -	\$ 6,159
Special revenue funds:		
Inmate welfare fund	6,159	-
Totals	\$ 6,159	\$ 6,159

NOTE 4 – RISK MANAGEMENT

The Office participates in the risk management program established by the Flagler County, Florida Board of County Commissioners for life and health insurance. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB Statement No. 10.

The Office is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Office carries commercial insurance. There were no significant reductions in insurance coverage from prior years. Settled claims resulting from the risks described above have not exceeded insurance coverage during the previous three years.

NOTE 5 – CONTINGENCIES AND COMMITMENTS

The Office is currently involved in litigation in two cases. One case is employment law related. In that case, if a court were to enter a judgment for back-pay against the Office, our insurance company would not cover that amount. One case is a general civil case for damages for general negligence. In that case any damages, if assessed against the Office, would be covered by our insurance. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
For the year ended September 30, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final	(Budgetary Basis)	With Final Budget
Revenues				
Intergovernmental	\$ 333,371	\$ 349,784	\$ 349,784	\$ -
Charges for services	4,344,451	4,552,443	4,549,519	(2,924)
Miscellaneous	-	10,212	11,108	896
Total revenues	4,677,822	4,912,439	4,910,411	(2,028)
Expenditures				
Public safety:				
Personal services	25,247,194	25,766,019	25,385,490	380,529
Operating expenditures	4,377,514	4,386,321	4,655,244	(268,923)
Capital outlay	230,250	1,322,688	1,669,521	(346,833)
Court related:				
Personal services	889,075	889,075	768,285	120,790
Operating expenditures	25,050	25,050	19,808	5,242
Debt service:				
Principal	588,801	588,801	412,786	176,015
Interest	40,000	40,000	33,882	6,118
Total expenditures	31,397,884	33,017,954	32,945,016	72,938
Excess of revenues over (under) expenditures	(26,720,062)	(28,105,515)	(28,034,605)	70,910
Other financing sources (uses)				
Appropriation from board of county commissioners	26,720,062	27,004,828	27,004,828	-
Reversion to board of county commissioners	-	-	(20,910)	(20,910)
Proceeds from issuance of long-term debt	-	883,857	1,200,000	316,143
Total other financing sources (uses)	26,720,062	27,888,685	28,183,918	295,233
Net change in fund balances	-	(216,830)	149,313	366,143
Fund balances - beginning of year	-	216,830	216,830	-
Fund balances - end of year	\$ -	\$ -	\$ 366,143	\$ 366,143

Notes to RSI:

1. The general fund budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.
2. The Office has not presented a budgetary comparison schedule for the inmate welfare fund as it does not have a legally adopted annual budget.

Supplementary Information

Flagler County, Florida Sheriff

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Police Education Fund	Federal Equitable Sharing Fund	Total Nonmajor Governmental Funds
Assets			
Cash and equivalents	\$ 7,427	\$ 289	\$ 7,716
Total assets	7,427	289	7,716
Fund balances			
Restricted			
Law enforcement education	7,427	-	7,427
Federal equitable sharing	-	289	289
Total fund balances	7,427	289	7,716
Total liabilities and fund balances	\$ 7,427	\$ 289	\$ 7,716

Flagler County, Florida Sheriff

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended September 30, 2019

	Police Education Fund	Federal Equitable Sharing Fund	Total Nonmajor Governmental Funds
Revenues			
Charges for services	\$ 7,000	\$ -	\$ 7,000
Expenditures			
Current:			
Public safety:			
Operating expenditures	7,000	2,888	9,888
Excess of revenues over (under) expenditures	-	(2,888)	(2,888)
Fund balances - beginning of year	7,427	3,177	10,604
Fund balances - end of year	\$ 7,427	\$ 289	\$ 7,716

Flagler County, Florida Sheriff

**Combining Statement of Fiduciary Net Position
Agency Funds
September 30, 2019**

	Inmate Trust Fund	Suspense Fund	Total Agency Funds
Assets			
Cash and equivalents	\$ 21,929	\$ 9,394	\$ 31,323
Total assets	21,929	9,394	31,323
Liabilities			
Accounts payable	9,905	-	9,905
Due to other county agencies	6,622	-	6,622
Assets held for others	5,402	9,394	14,796
Total liabilities	21,929	9,394	31,323
Net position	\$ -	\$ -	\$ -

Additional Elements Required by the Rules of the Auditor General

MANAGEMENT LETTER

The Honorable Rick Staly
Sheriff
Flagler County, Florida

We have audited the financial statements of the office of the Flagler County, Florida Sheriff (the "Office"), as of and for the year ended September 30, 2019, and have issued our report thereon dated June 9, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' 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 9, 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. These requirements of the Rules of the Auditor General are addressed in the Schedule of Findings that accompanies this letter. Current year finding 2019-001 was previously reported as 2018-001 and 2017-002.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 Flagler County, Florida 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 the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida

June 9, 2020

INDEPENDENT AUDITORS' 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 Rick Staly
Sheriff
Flagler 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 each major fund and the aggregate remaining fund information of the office of the Flagler County, Florida Sheriff (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated June 9, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings, as items 2019-001 and 2019-002, that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2019-003.

The Office's Response to Finding

The Office's response to the finding identified in our audit is described in its accompanying letter of response. The Office'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.

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

St Augustine, Florida
June 9, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Rick Staly
Sheriff
Flagler County, Florida

We have examined the office of the Flagler County, Florida Sheriff's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Office 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 9, 2020

Schedule of Findings

- 2019-001 (Reported previously as item 2018-001 and 2017-002)
- Criteria:** Adequate controls should be in place to allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements in a timely basis. Although the small size of the business office staff limits the extent of separation of duties, we believe certain steps could be taken to separate incompatible duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction.
- Condition:** The handling of incoming checks, preparation of deposit slips, posting of receipts to accounts receivable and the general ledger, and the opening and reconciliation of the monthly bank statements are not adequately segregated.
- Cause:** Because of a limited number of available personnel, it is not always possible to adequately segregate incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.
- Effect:** Incompatible duties are not adequately separated. The result is that intentional or unintentional errors could be made and not detected.
- Recommendation:** Although this finding is common in small governments, the Office should consider and evaluate the costs and benefits of improving internal controls relative to the cash receipts process. We recommend that the individual recording transactions does not open the mail, prepare a prelist of the cash received, and prepare the deposit slip.
- 2019-002
- Criteria:** Financial statements must be presented in accordance with generally accepted accounting principles, which requires proper cutoff and reconciliation of accounts.
- Condition:** As part of the audit process, it was necessary for us to propose material adjustments to the Office's financial statements. During the year-end close process, certain cutoff and reconciliation errors occurred.
- Cause:** Year-end close process errors occurred as a result of an oversight by management.
- Effect:** Our proposed adjustments were accepted by management, enabling the financial statements to be fairly presented in conformity with generally accepted accounting practices.
- Recommendation:** The Office should consider and evaluate the costs and benefits of improving internal controls relative to the year-end close process.

Schedule of Findings

2019-003 **Criteria:** Compliance with Florida Statute 30.50 (6) and 218.36 (1) & (2)

Condition: The Office did not comply with applicable Florida Statutes regarding timely filing of their annual report and remittance of unexpended balances to the Board of County Commissioners, which were due October 31, 2019.

Cause: The Office experienced system issues which delayed the filing of its annual report and reversion calculation.

Effect: The Office was able to resolve the issues and submit their report and reversion prior to the conclusion of our audit.

Recommendation: The Office should attempt to resolve system issues as they arise to ensure future compliance with due dates as set forth by Florida Statutes.



Rick Staly, Sheriff
FLAGLER COUNTY SHERIFF'S OFFICE

"An honor to serve, a duty to protect."

June 9, 2020

Ms. Sherrill F. Norman, CPA
State of Florida Auditor General
111 West Madison Street
Tallahassee, FL 32399

Dear Ms. Norman:

Please accept this letter as my response to the findings noted in the most recent financial audit of the Flagler County Sheriff's Office prepared by Carr, Riggs & Ingram, LLC for the fiscal year ending September 30, 2019.

We appreciate that the auditors found that the Flagler County Sheriff's Office complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, during the year ending September 30, 2019.

We have reviewed the findings (2019-001, 2019-002, and 2019-003) presented by the auditors and have addressed all findings. All of the recommendations of the auditors have been implemented.


Finding 2019-001 – Acknowledged and corrected.

Finding 2019-002 – Acknowledged and corrected.

Finding 2019-003 – Acknowledged and corrected.

Sincerely,

Rick Staly
Sheriff


Mark Strobbridge
Chief of Staff

/lac

-22-

Proudly Serving the Community for 100 Years – Centennial Anniversary 1917 - 2017
An Accredited Law Enforcement Agency



**Flagler County, Florida
Tax Collector**

Audit Report

September 30, 2019



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RIGGS &
INGRAM

CPAs and Advisors

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September 30, 2019

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INDEPENDENT AUDITORS' REPORT

The Honorable Suzanne Johnston
Tax Collector
Flagler 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 the office of the Flagler County, Florida Tax Collector (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office'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.

Auditors' Responsibility

Our responsibility is to express opinions 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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 Office as of September 30, 2019, and the respective changes in financial position, where applicable, thereof 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 of the State of Florida. In conformity with the Rules,

the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The Combining Statement of Fiduciary Net Position – Agency Funds is presented for purposes of additional analysis and is not a required part of the financial statements.

The Combining Statement of Fiduciary Net Position – Agency Funds 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 financial statements or 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 Combining Statement of Fiduciary Net Position – Agency Funds is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2020, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

St. Augustine, Florida
May 20, 2020

Flagler County, Florida Tax Collector

Balance Sheet - Governmental Funds September 30, 2019

	General Fund
<hr/>	
Assets	
Cash	\$ 1,079,453
Accounts receivable	39
Due from other funds	50,405
Due from other county agencies	31,033
Due from other governments	8,262
<hr/>	
Total assets	\$ 1,169,192
<hr/>	
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	\$ 26,786
Due to other county agencies	1,059,014
Due to other governments	83,392
<hr/>	
Total liabilities	1,169,192
Fund balance	-
<hr/>	
Total liabilities and fund balance	\$ 1,169,192
<hr/>	

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Flagler County, Florida Tax Collector

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the year ended September 30, 2019

	General Fund
Revenues	
Charges for services	\$ 4,197,435
Miscellaneous revenue	3,712
Total revenues	4,201,147
Expenditures	
General government services:	
Personal services	2,560,402
Operating expenditures	600,293
Total expenditures	3,160,695
Excess of revenues over expenditures	1,040,452
Other financing uses	
Reversion to board of county commissioners	(1,040,452)
Net change in fund balance	-
Fund balance - October 1, 2018	-
Fund balance - September 30, 2019	\$ -

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Flagler County, Florida Tax Collector

**Statement of Fiduciary Net Position
September 30, 2019**

	Agency Funds
Assets	
Cash	\$ 2,888,070
Receivables	131,358
Total assets	3,019,428
Liabilities	
Assets held for others	2,692,864
Due to other funds	50,405
Due to other county agencies	276,159
Total liabilities	3,019,428
Net position	\$ -

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Flagler County, Florida Tax Collector

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Flagler County, Florida Tax Collector (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Flagler County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

Accounts 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, 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. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

The Office also reports the following fiduciary funds:

Agency Funds – Agency Funds are used to account for assets held in a custodial capacity.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Flagler County, Florida Tax Collector

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Flagler County, Florida Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Cash

All cash is placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely collateralized throughout the fiscal year.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Flagler County, Florida Tax Collector

Notes to Financial Statements

NOTE 2 – INTERFUND BALANCES

The following interfund balances arose during the normal course of operations of the Office.

	Due From Other Funds	Due To Other Funds
General fund	\$ 50,405	\$ -
Agency funds:		
Tax fund	-	50,405
Total	\$ 50,405	\$ 50,405

NOTE 3 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The Office participates in the plan established by the Board of County Commissioners to provide other postemployment benefits to retirees of the Board and Constitutional Officers. The County has implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. A detailed plan description and any liability for employees of the Office is included in the financial statements of the County.

NOTE 4 – RISK MANAGEMENT

The Office participates in the risk management program established by the Board of County Commissioners for life and health insurance. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB Statement No. 10.

The Office is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Office carries commercial insurance. There were no significant reductions in insurance coverage from prior years. Settled claims resulting from the risks described above have not exceeded the insurance coverage during the previous three years.

NOTE 5 – CONTINGENCIES

The Office is, during the course of normal operations, involved in various claims. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.

Required Supplementary Information

Flagler County, Florida Tax Collector

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2019**

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
Revenues				
Charges for services	\$ 4,038,530	\$ 4,038,530	\$ 4,197,435	\$ 158,905
Miscellaneous revenues	3,759	3,759	3,712	(47)
Total revenues	4,042,289	4,042,289	4,201,147	158,858
Expenditures				
General government services:				
Personal services	2,640,047	2,641,744	2,560,402	81,342
Operating expenditures	636,611	681,169	600,293	80,876
Total expenditures	3,276,658	3,322,913	3,160,695	162,218
Excess of revenues over expenditures	765,631	719,376	1,040,452	321,076
Other financing uses				
Reversion to board of county commissioners	(765,631)	(719,376)	(1,040,452)	(321,076)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2018	-	-	-	-
Fund balances - September 30, 2019	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

Flagler County, Florida Tax Collector

Supplementary Information

Fiduciary Funds

Tax Fund – To account for the collection and disbursement of real and tangible property taxes.

Tag Fund – To account for the collection and disbursement of collections such as vehicle tag, title, sales tax; hunting and fishing licenses and marine title fees; and for driver license fees on behalf of various State agencies.

Flagler County, Florida Tax Collector

**Combining Statement of Fiduciary Net Position – Agency Funds
September 30, 2019**

	Tax Fund	Tag Fund	Totals
<hr/>			
Assets			
Cash	\$ 2,525,065	\$ 363,005	\$ 2,888,070
Receivables	125,229	6,129	131,358
<hr/>			
Total assets	2,650,294	369,134	3,019,428
<hr/>			
Liabilities			
Assets held for others	2,339,393	353,471	2,692,864
Due to other funds	50,405	-	50,405
Due to other county agencies	260,496	15,663	276,159
<hr/>			
Total liabilities	2,650,294	369,134	3,019,428
<hr/>			
Net position	\$ -	\$ -	\$ -
<hr/>			

Additional Elements Required by the Rules of the Auditor General

MANAGEMENT LETTER

Honorable Suzanne Johnston
Tax Collector
Flagler County, Florida

Report on the Financial Statements

We have audited the financial statements of the Flagler County, Florida Tax Collector (the "Office") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated May 20, 2020.

Auditors' 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.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' 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 May 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. There were no findings and recommendations made in the preceding annual financial audit report.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 Flagler County, Florida Tax Collector, 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 the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida

May 20, 2020

INDEPENDENT AUDITORS' 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 Suzanne Johnston
Tax Collector
Flagler 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 major fund and the aggregate remaining fund information of the office of the Flagler County, Florida Tax Collector (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated May 20, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida
May 20, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Suzanne Johnston
Tax Collector
Flagler County, Florida

We have examined the office of the Flagler County, Florida Tax Collector's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

In our opinion, the Office 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
May 20, 2020



SUZANNE JOHNSTON, C.F.C.

Flagler County Tax Collector

1769 E. Moody Blvd, Bldg. 2, Ste 102 / P.O. Box 846 / Bunnell, FL 32110

Phone: 386-313-4160 / Fax: 386-313-4161

www.flaglertax.com

May 5, 2020

The Honorable Sherrill F. Norman, CPA
Florida Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Honorable Norman:

I have received the Flagler County Tax Collector's financial statements and audit report for the year ending September 30, 2019.

I am pleased to report that there were no findings or recommendations included in the audit report.

Sincerely

A handwritten signature in blue ink, which appears to read "Suzanne Johnston", is written over a horizontal line.

Suzanne Johnston
Flagler County Tax Collector

**Flagler County, Florida
Property Appraiser**

Audit Report

September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRlcpa.com

Flagler County, Florida Property Appraiser

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INDEPENDENT AUDITORS' REPORT

The Honorable James E. Gardner, Jr.
Property Appraiser
Flagler County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund of the Flagler County, Florida Property Appraiser (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office'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.

Auditors' Responsibility

Our responsibility is to express opinions 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the major fund of the Office as of September 30, 2019, and the changes in financial position 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 of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 28, 2020, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Office's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

St. Augustine, Florida

February 28, 2020

Flagler County, Florida Property Appraiser

Balance Sheet – Governmental Funds September 30, 2019

	General Fund
Assets	
Cash	\$ 109,613
Accounts receivable	557
Due from other governments	600
Due from board of county commissioners	67,849
Total assets	\$ 178,619
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	\$ 44,157
Due to other governments	8,118
Due to board of county commissioners	126,344
Total liabilities	178,619
Fund balance	-
Total liabilities and fund balance	\$ 178,619

See accompanying notes.

Flagler County, Florida Property Appraiser

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the year ended September 30, 2019

	General Fund
Revenues	
Charges for services	\$ 70,479
Miscellaneous revenue	21,699
Total revenues	92,178
Expenditures	
General government:	
Personnel services	1,984,076
Operating expenditures	229,266
Capital outlay	349,720
Total expenditures	2,563,062
Excess of revenues under expenditures	(2,470,884)
Other financing sources (uses)	
Appropriation from board of county commissioners	2,592,705
Reversion to board of county commissioners	(121,821)
Total other financing sources (uses)	2,470,884
Net change in fund balance	-
Fund balance - beginning of year	-
Fund balance - end of year	\$ -

See accompanying notes.

Flagler County, Florida Property Appraiser

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Flagler County, Florida Property Appraiser (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Flagler County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

Accounts 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, 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. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

Flagler County, Florida Property Appraiser

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Flagler County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Cash

All cash is placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Therefore, the deposits are entirely insured by Federal depository insurance and/or entirely collateralized pursuant to Chapter 280, Florida Statutes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – RISK MANAGEMENT

The Office participates in the risk management program established by the Board of County Commissioners for life and health insurance. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

The Office is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Office carries commercial insurance. There were no significant reductions in insurance coverage from prior years. Settled claims resulting from the risks described above have not exceeded the insurance coverage during the previous three years.

NOTE 3 – LEASE COMMITMENTS

The Office has eight vehicle operating leases. During the year ended September 30, 2019, the lease payments on all vehicle operating leases were \$23,303.

Flagler County, Florida Property Appraiser

Notes to Financial Statements

NOTE 3 – LEASE COMMITMENTS (CONTINUED)

Future minimum lease payments for noncancellable operating leases as of September 30, 2019 are as follows:

Year	Amount
2020	\$ 30,245
2021	30,245
2022	8,915
Total	<u>\$ 69,405</u>

NOTE 4 – CONTINGENCIES AND COMMITMENTS

The Office is, during the course of normal operations, involved in various claims regarding the assessments of real and tangible personal property. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.

Required Supplementary Information

Flagler County, Florida Property Appraiser

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
For the year ended September 30, 2019**

	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
Revenues				
Charges for services	\$ 64,071	\$ 70,985	\$ 70,479	\$ (506)
Miscellaneous revenue	-	-	21,699	21,699
Total revenues	64,071	70,985	92,178	21,193
Expenditures				
General government:				
Personnel services	2,058,277	2,053,501	1,984,076	69,425
Operating expenditures	258,999	258,999	229,266	29,733
Capital outlay	339,500	351,190	349,720	1,470
Total expenditures	2,656,776	2,663,690	2,563,062	100,628
Excess of revenues under expenditures	(2,592,705)	(2,592,705)	(2,470,884)	121,821
Other financing sources (uses)				
Appropriation from board of county commissioners	2,592,705	2,592,705	2,592,705	-
Reversion to board of county commissioners	-	-	(121,821)	(121,821)
Total other financing sources (uses)	2,592,705	2,592,705	2,470,884	(121,821)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	\$ -	\$ -	\$ -	\$ -

Notes to schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Additional Elements Required by the Rules of the Auditor General

MANAGEMENT LETTER

The Honorable James E. Gardner, Jr.
Property Appraiser
Flagler County, Florida

We have audited the financial statements of the office of the Flagler County, Florida Property Appraiser (the "Office"), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated February 28, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements performed in accordance with *Government Auditing Standards*; and Independent Accountants' 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 and schedule, which are dated February 28, 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 prior audit findings or recommendations in the prior year's annual financial audit report.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 Flagler County, Florida 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 the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Cam, Riggs & Ingram, L.L.C.

St. Augustine, Florida

February 28, 2020

INDEPENDENT AUDITORS' 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 James E. Gardner, Jr.
Property Appraiser
Flagler 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 office of the Flagler County, Florida Property Appraiser (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 28, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Caru, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 28, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable James E. Gardner, Jr.
Property Appraiser
Flagler County, Florida

We have examined the Flagler County, Florida Property Appraiser's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

In our opinion, the Office 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 28, 2020

Flagler County, Florida Supervisor of Elections

Audit Report

September 30, 2019



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RIGGS &
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CPAs and Advisors

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Flagler County, Florida Supervisor of Elections

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INDEPENDENT AUDITORS' REPORT

The Honorable Kaiti Lenhart
Supervisor of Elections
Flagler County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund of the Flagler County, Florida Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office'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.

Auditors' 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 auditors' 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the major fund of the Office as of September 30, 2019, and the changes in financial position 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 of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund of Flagler County, Florida that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2020, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 4, 2020

Flagler County, Florida Supervisor of Elections

Balance Sheet – Governmental Funds
As of September 30, 2019

	General Fund
<hr/>	
Assets	
Cash	\$ 71,261
Accounts receivable	2,487
<hr/>	
Total assets	\$ 73,748
<hr/>	
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	\$ 2,324
Due to other county agencies	43,234
<hr/>	
Total liabilities	45,558
Fund balance:	
Restricted by grantor	28,190
<hr/>	
Total liabilities and fund balance	\$ 73,748
<hr/>	

See accompanying notes.

Flagler County, Florida Supervisor of Elections

Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds For the year ended September 30, 2019

	General Fund
Revenues	
Intergovernmental revenue	\$ 24,451
Charges for services	12,421
Miscellaneous revenue	3
Total revenues	36,875
Expenditures	
General government:	
Personnel services	677,782
Operating expenditures	342,770
Capital outlay	39,608
Total expenditures	1,060,160
Excess of revenues under expenditures	(1,023,285)
Other financing sources (uses)	
Appropriation from board of county commissioners	1,077,220
Reversion to board of county commissioners	(42,979)
Total other financing sources (uses)	1,034,241
Net change in fund balance	10,956
Fund balance - October 1, 2018	17,234
Fund balance - September 30, 2019	\$ 28,190

See accompanying notes.

Flagler County, Florida Supervisor of Elections

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Flagler County, Florida Supervisor of Elections (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Flagler County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund of Flagler County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Flagler County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

Accounts are organized on the basis of funds, which are considered separate accounting entities. 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. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no non-major funds.

The Office reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental *Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Flagler County, Florida Supervisor of Elections

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Non-spendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Flagler County, Florida Supervisor of Elections

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Long-term Liabilities

Capital assets used by the Office are recorded and accounted for by the Flagler County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the government-wide financial statements of the County.

Cash

All cash is placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year pursuant to Chapter 280, Florida Statutes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – RISK MANAGEMENT

The Office participates in the risk management program established by the Board of County Commissioners for life and health insurance. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

The Office is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Office carries commercial insurance. There were no significant reductions in insurance coverage from prior years. Settled claims resulting from the risks described above have not exceeded the insurance coverage during the previous three years.

Required Supplementary Information

Flagler County, Florida Supervisor of Elections

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
For the year ended September 30, 2019**

	<u>Budgeted Amounts</u>			Variance
	Original	Final	Actual	With Final Budget
Revenues				
Intergovernmental revenue	\$ -	\$ 35,028	\$ 24,451	\$ (10,577)
Charges for services	-	-	12,421	12,421
Miscellaneous revenue	-	-	3	3
Total revenues	-	35,028	36,875	1,847
Expenditures				
General government:				
Personnel services	730,641	730,641	677,782	52,859
Operating expenditures	313,405	348,433	342,770	5,663
Capital outlay	31,130	31,130	39,608	(8,478)
Total expenditures	1,075,176	1,110,204	1,060,160	50,044
Excess of revenues under expenditures	(1,075,176)	(1,075,176)	(1,023,285)	51,891
Other financing sources (uses)				
Appropriation from board of county commissioners	1,057,942	1,057,942	1,077,220	19,278
Reversion to board of county commissioners	-	-	(42,979)	(42,979)
Total other financing sources (uses)	1,057,942	1,057,942	1,034,241	(23,701)
Net change in fund balances	(17,234)	(17,234)	10,956	28,190
Fund balances – October 1, 2018	17,234	17,234	17,234	-
Fund balances – September 30, 2019	\$ -	\$ -	\$ 28,190	\$ 28,190

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Additional Elements Required by the Rules of the Auditor General



MANAGEMENT LETTER

The Honorable Kaiti Lenhart
Supervisor of Elections
Flagler County, Florida

We have audited the financial statements of the Flagler County, Florida Supervisor of Elections (the "Office"), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 4, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements performed in accordance with *Government Auditing Standards*; and Independent Accountants' 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 and schedule, which are dated June 4, 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 prior audit findings or recommendations made in the prior year's annual financial audit report.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 Flagler County, Florida Supervisor of Elections, 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 the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Car, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 4, 2020

INDEPENDENT AUDITORS' 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 Kaiti Lenhart
Supervisor of Elections
Flagler 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 office of the Flagler County, Florida Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements and have issued our report thereon dated June 4, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings as item 2019-001 that we consider to be a material weakness.

Compliance and Other Matters

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

compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Office's Response to Findings

The Office's response to the finding identified in our audit is described in its accompanying letter of response. The Office'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.

Purpose of this Report

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

Cam, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 4, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Kaiti Lenhart
Supervisor of Elections
Flagler County, Florida

We have examined the office of the Flagler County, Florida Supervisor of Elections' (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Office 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
June 4, 2020

Flagler County, Florida Supervisor of Elections

Schedule of Findings

2019-001 **Criteria:** Financial statements must be presented in accordance with generally accepted accounting principles.

Condition: As part of the audit process, it was necessary for us to propose material adjustments to the Office's financial statements. The Office's calculation of excess fees for reversion included an incorrect amount of expenditures in error and fund balance was not reconciled. It was also necessary for us to assist with the preparation of the Office's financial statements.

Cause: Procedures for closing the year do not include verification of the general ledger opening balances against the prior year ending balances, which would have allowed for proper calculation of year-end excess fees. Also, personnel are unable to prepare financial statements and related notes in accordance with generally accepted accounting principles.

Effect: Our proposed adjustments were accepted by management, enabling the financial statements to be fairly presented in conformity with general accepted accounting principles.

Recommendation: The Office should consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process.



Kaiti Lenhart ★ FLAGLER COUNTY SUPERVISOR OF ELECTIONS

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Sherrill F. Norman, CPA
Florida Auditor General
111 West Madison Street
Tallahassee, FL 32399-1450

June 4, 2020

Dear Auditor General:

We are grateful to the accountants of Carr, Riggs & Ingram, LLC., for their assistance with the financial statements for this budget year. Let it be noted that we made every effort to be available during the audit period from November 2019 to June 2020 and have been highly responsive during the Presidential Preference Primary and municipal election cycle to the many requests made by the auditors during the course of their work.

2019-001 Condition: As part of the audit process, it was necessary for us to propose material adjustments to the Office's financial statements. The Office's calculation of excess fees for reversion included an incorrect amount of expenditures in error and fund balance was not reconciled. It was also necessary for us to assist with the preparation of the Office's financial statements.

Response:

During fiscal year 2019, we upgraded accounting software and changed vendors. This new installation required extensive manual input and the creation of an entirely new chart of accounts, as we worked with other county agencies to streamline our accounting and budgeting process. Our independent CPA has reviewed and evaluated this finding and adjustments proposed by the auditor and we have agreed on improvements to prepare our financial statements in accordance with GAAP.

Sincerely,

Kaiti Lenhart
Flagler County Supervisor of Elections