

**TAYLOR COUNTY,  
FLORIDA**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

**TAYLOR COUNTY, FLORIDA**  
**ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended September 30, 2019  
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## **INTRODUCTORY SECTION**



## COUNTY-WIDE FINANCIAL REPORT



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## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Taylor County, Florida, as of and for the fiscal year ended September 30, 2019, which collectively comprise Taylor County, Florida's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate under 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 governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Taylor County, Florida as of September 30, 2019, and the respective changes in financial position and cash flows, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 17, the budgetary comparison information on pages 68 through 78 and the pension schedules on pages 79 through 80 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

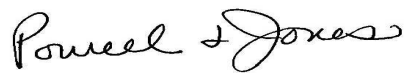
### *Other Information*

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2020, on our consideration of Taylor County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering Taylor County, Florida's internal control over financial reporting and compliance.

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

POWELL & JONES  
Certified Public Accountants  
May 12, 2020

**TAYLOR COUNTY, FLORIDA**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended September 30, 2019**

Taylor County, Florida's (County) management's discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2019. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

The County has implemented Governmental Accounting Standards County (GASB) Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This statement requires governmental entities to report finances in accordance with specific guidelines. Among those guidelines are the components of this section dealing with management's discussion and analysis.

Its intent is to provide a brief, objective, and easily readable analysis of the County's financial performance for the year and its financial position at fiscal year end September 30, 2019.

One of the key changes in financial presentation is the requirement to capitalize infrastructure assets and record depreciation. Consequently, significant changes have resulted in the reporting of fixed assets, long term liabilities, and fund balances.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Government-wide financial statements present an overall picture of the County's financial position and results of operations. The Fund financial statements present financial information for the County's major funds. The Notes to the financial statements provide additional information concerning the County's finances that are not disclosed in the government-wide or fund financial statements.

#### **Government-wide financial statements**

The government-wide financial statements consist of the statement of net position and the statement of activities, and are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. Emphasis is placed on the net position of governmental activities and business-type activities and the change in net position. Governmental activities are primarily supported by property taxes, sales and use taxes, federal and state grants, and state shared revenues. Business-type activities are supported by charges to the users of those activities.

The statement of net position presents information on all assets and liabilities of the County, with the difference between the two 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. Net position is reported in three categories: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental Activities separate from those of business-type activities.

The statement of activities presents information on all revenues and expenses of the County and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the County. To assist in understanding the County's operations, expenses have been reported as governmental

activities or business-type activities. Governmental activities financed by the County include public safety, physical environment, transportation, economic environment, human services, culture and recreation, and general government services. Business-type activities financed by user charges include the airport fuel operation.

#### **Fund financial statements**

A fund is a separate accounting entity with a self-balancing set of accounts, and is used to maintain control over resources that have been segregated for specific activities or objectives in accordance with special regulations, restrictions, or limitations. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

Proprietary fund financial statements provide information on all assets and liabilities of the fund, changes in the economic resources (revenues and expenses), and total economic resources.

Fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all governmental funds. A statement of revenues, expenditures, and changes in fund balances - budget and actual, is provided for the County's general fund and major special revenue, capital projects, and debt service funds. For the proprietary fund, which includes business-type activities, specifically the Airport Enterprise fund, a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows are presented. A combined statement of fiduciary net position is presented for the County's agency funds.

Fund financial statements provide more detailed information about the County's activities. Individual funds are established by the County to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

The government-wide financial statements and the fund financial statements provide different pictures of the County. The government-wide financial statements provide an overall picture of the County's financial standing, split between governmental activities and business-type activities. These statements are comparable to private-sector companies and give a good understanding of the County's overall financial health and how the County paid for the various activities, or functions, provided by the County. All assets of the County, including buildings, land, roads, and bridges are reported in the statement of net position. All liabilities, including principal outstanding on bonds, landfill closure liabilities, and future employee benefits obligated but not paid by the County are included. The statement of activities includes depreciation on all long lived assets of the County, but transactions between the different functions of the County have been eliminated in order to avoid "doubling up" the revenues and expenses.

The fund financial statements provide a picture of the major funds of the County and a column for all non-major funds. In the case of governmental activities, outlays for long lived assets are reported as expenditures, and long-term liabilities are not included in the fund financial statements. To provide a link from the fund financial statements to the government-wide financial statements, a reconciliation is provided from the fund financial statements to the government wide financial statements.

#### **Notes to the financial statements**

The Notes to the financial statements provide additional detail concerning the financial activities and financial balances of the County. Additional information about the accounting practices of the

County, investments of the County, long-term debt, and pension plan are some of the items included in the notes to the financial statements.

## FINANCIAL HIGHLIGHTS

Total assets of the County exceeded total liabilities by \$88,865,337 (net position). Unrestricted net position for governmental activities was \$2,696,515 and for business-type activities was \$133,999. Governmental Activities restricted net position was \$5,803,053, and was \$-0- for Business-type Activities.

Total net position decreased by \$(2,660,953). Of that amount, \$(2,647,542) is attributable to Governmental Activities and \$(13,411) is attributable to Business-type Activities. This decrease is primarily due to the requirement to record depreciation in these financial statements.

Governmental Activities revenues increased \$839,065 to \$28,396,066. This 3% net increase in revenue was primarily attributable to an overall increase in revenue from the prior year. Governmental Activities expenses increased by \$2,774,356 to \$31,043,608. This increase in expenses of 9.8% was primarily due to an overall increase in expenses.

Business-type activities operating revenues increased 34% to \$266,495, while business-type expenses increased to \$279,906. The fund experienced a net loss of \$(13,411).

## FINANCIAL ANALYSIS OF THE COUNTY

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2019, the assets of the County exceed liabilities by \$88,865,337.

The following schedule provides a summary of the assets, liabilities, and net position of the County:

September 30, 2019 and 2018

	Governmental Activities	Business-type Activities	Total Government	
			2019	2018
<b>Assets</b>				
Current assets	\$ 23,032,681	\$ 157,947	\$ 23,190,628	\$ 20,861,677
Non-current assets	80,870,986	86,010	80,956,996	84,480,686
Total assets	<u>103,903,667</u>	<u>243,957</u>	<u>104,147,624</u>	<u>105,342,363</u>
<b>Deferred Outflows of Resources</b>	<u>5,655,977</u>	<u>9,478</u>	<u>5,665,455</u>	<u>6,494,937</u>
<b>Liabilities</b>				
Current liabilities (payable from current assets)	3,548,961	6,986	3,555,947	5,199,826
Noncurrent liabilities	15,725,865	23,693	15,749,558	13,135,587
Total liabilities	<u>19,274,826</u>	<u>30,679</u>	<u>19,305,505</u>	<u>18,335,413</u>
<b>Deferred Inflows of Resources</b>	<u>1,639,490</u>	<u>2,747</u>	<u>1,642,237</u>	<u>1,975,597</u>
<b>Net Position</b>				
Net position invested in capital assets, net of related debt	80,145,760	86,010	80,231,770	83,505,199
Net position, restricted	5,803,053	-	5,803,053	5,351,222
Net position, unrestricted	<u>2,696,515</u>	<u>133,999</u>	<u>2,830,514</u>	<u>2,669,869</u>
<b>Total Net Position</b>	<u>\$ 88,645,328</u>	<u>\$ 220,009</u>	<u>\$ 88,865,337</u>	<u>\$ 91,526,290</u>

90% of the County's net position reflects its investment in capital assets (land, buildings and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional 6.5% of the County's net position represents resources that are dedicated or subject to restrictions on how they may be used. The remaining balance of unrestricted net position \$2,830,514 may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. The decrease in net position is due primarily to recording depreciation expense which is not funded.

**Changes in Net Position**  
Fiscal Years Ended September 30, 2019 and 2018

	Governmental Activities	Business-type Activities	Total Government 2019	Total Government 2018
<b>Revenues:</b>				
<b>Program Revenues</b>				
Charges for services	\$ 4,325,504	\$ 266,363	\$ 4,591,867	\$ 3,977,283
Operating grants/contributions	2,469,882	-	2,469,882	1,282,224
Capital grants/contributions	1,106,305	-	1,106,305	2,424,752
<b>General Revenues</b>				
Property taxes	11,339,517	-	11,339,517	11,266,469
Sales and use taxes	3,243,230	-	3,243,230	3,393,455
Franchise fees	17,281	-	17,281	17,359
Communications surtax	86,752	-	86,752	94,358
State shared revenues	4,846,196	-	4,846,196	4,754,762
Other	961,399	132	961,531	544,613
<b>Total revenues</b>	<b>28,396,066</b>	<b>266,495</b>	<b>28,662,561</b>	<b>27,755,832</b>
<b>Expenses:</b>				
General government	7,261,697	-	7,261,697	6,051,044
Public safety	10,360,807	-	10,360,807	10,173,550
Physical environment	1,752,663	-	1,752,663	1,618,145
Transportation	5,997,421	279,906	6,277,327	5,847,478
Economic environment	1,836,977	-	1,836,977	1,058,082
Human services	1,579,185	-	1,579,185	1,502,806
Culture/recreation	1,201,294	-	1,201,294	1,223,021
Court-related	1,038,487	-	1,038,487	957,593
Interest on long-term debt	15,077	-	15,077	9,884
<b>Total expenses and transfers</b>	<b>31,043,608</b>	<b>279,906</b>	<b>31,323,514</b>	<b>28,442,160</b>
<b>Increase (decrease) in net position</b>	<b>(2,647,542)</b>	<b>(13,411)</b>	<b>(2,660,953)</b>	<b>(686,328)</b>
Beginning net position	91,292,870	233,420	91,526,290	92,212,618
Ending net position	<b>\$ 88,645,328</b>	<b>\$ 220,009</b>	<b>\$ 88,865,337</b>	<b>\$ 91,526,290</b>

Property taxes provide 40% of the revenues for Governmental Activities, while state shared revenues provide 17%, and sales and use taxes provide 11.42%. Most of the Governmental Activities resources are spent for Public Safety (33%), General Government (23%), Human Services (5%), Transportation (19.32%), Physical Environment (5.6%) and Economic Environment (5.9%).

## **FUND FINANCIAL INFORMATION**

### **Governmental Funds**

#### **General Fund**

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County ordinances or other externally imposed requirements. As of September 30, 2019, total assets were \$11,010,703 and total liabilities were \$449,284. The ending fund balance was \$10,561,419. \$1,159,566 of the ending fund balance is assigned or restricted for specific identified purposes. \$9,401,853 is reflected as unassigned in the financial statements, but is included in the budget for the next fiscal year to fund reserves and various capital projects.

As of September 30, 2019, total revenue, \$15,761,601 exceeded total expenditures of \$5,804,333, by \$9,957,268. In addition, \$9,070,859 was also transferred to constitutional officers to fund their budgets and to other funds for operational costs. Total transfers in from other funds was \$271,725. There was a sale of fixed assets for \$317,940. The net increase in the fund balance in the General Fund was \$1,476,074.

During the fiscal year, the County amended and increased the General Fund budget by \$1,470,019. The County budgeted ad valorem taxes at 95% of the total tax levy, as allowed by State law; actual collections were 97%.

#### **Other Governmental Funds**

Financial highlights of selected other County funds follow:

The Hospital Sales Tax Revenue Fund accounts for the local one-cent discretionary small county sales surtax. County voters approved the one-cent sales tax in October 1999, for a period of 30 years, beginning January 1, 2000. The proceeds from the sales tax are used to pay the principal and interest payments on the Sales Tax Revenue Bonds, that were issued to provide funds to acquire, construct, and equip a hospital facility located in the County. The Sales Tax Revenue Bonds were fully paid off in the 2018 fiscal year. The sales tax is now being accounted for in the Small County Sales Surtax Fund. The tax generated \$1,853,400 in the 2019 fiscal year, reflecting a 10% decrease from the prior fiscal year's \$2,069,666.

The Municipal Services Taxing Unit (MSTU) Fund is used to account for the provision of fire services, building and planning services, animal control and code enforcement. The primary source of funds, 79%, is ad valorem taxes. 72% of the total expenditures incurred in the MSTU fund are for fire services provided in the unincorporated area of the County.

The Road and Bridge (Transportation) Fund accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. As of September 30, 2019, revenues and transfers in exceeded expenditures and transfers out by \$113,985. Operational costs of the County Road Department increased by \$338,961 while capital expenditures decreased by \$(814,951). Gas tax revenue increased at a rate of 1%. Secondary road paving funds are utilized for funding shortfalls in the road and bridge operations fund. \$1,007,436 was transferred in the 2019 fiscal year which would otherwise been available for road paving or other purposes.

The Secondary Road Projects (Paving) Fund accounts for the use of gas taxes restricted for transportation improvements, such as roads, bridges, and right-of-way acquisition. This gas tax revenue increased by 3.5% \$35,035. There were no capital outlay expenditures for road paving projects in 2019 as compared to \$69,594 in expenditures in 2018. \$780,693 was transferred to the Road and Bridge Fund. This fund had a fund balance of \$2,967,456 at the end of the 2019 fiscal year. These funds have been, or will be committed for on-going road-paving projects.

The Sheriff General Fund is the operating fund of the Sheriff, a constitutional officer. The primary source of funds are transfers from the Board of County Commissioners General Fund. Expenditures represent 27% of total expenditures of the governmental activities. Expenditures total \$6,819,623 for the year. By law this fund has no ending fund balance.

#### Proprietary Fund

The Airport Enterprise Fund is used to account for the revenues, expenses, assets, and liabilities associated with the County operated aviation fuel sales at the County airport facility. This is operated like a business, where the rates established by the County should generate sufficient funds to pay the costs of current operations and provide for the accumulation of funding for capital asset acquisition. Total assets as of September 30, 2019, were \$243,957 total liabilities were \$30,679, and net position was \$220,009. Operating revenue was \$266,495. Operating expenses were \$279,906. Then net operating loss was \$(13,411).

#### CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2019, is \$80,956,996 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation.

#### Capital Assets

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions and Adjustments</u>	<u>Balance</u>
<i>Governmental Activities:</i>				
Capital assets				
Land and improvements	\$ 23,929,959	\$ 431,215	\$ -	\$ 24,361,174
Construction in progress	5,788,891	401,313	-	6,190,204
Infrastructure	90,826,875	434,820	-	91,261,695
Buildings	29,045,337	103,697	-	29,149,034
Equipment	18,995,859	335,191	(81,592)	19,249,458
Sheriff equipment	2,558,160	87,696	-	2,645,856
Total capital assets	<u>171,145,081</u>	<u>1,793,932</u>	<u>(81,592)</u>	<u>172,857,421</u>
Less accumulated depreciation				
Board of County Commissioners	(84,716,270)	(4,989,528)	81,592	(89,624,206)
Sheriff	(2,036,929)	(301,207)	(24,093)	(2,362,229)
Total accumulated depreciation	<u>(86,753,199)</u>	<u>(5,290,735)</u>	<u>57,499</u>	<u>(91,986,435)</u>
Governmental activities capital assets, net	<u>\$ 84,391,882</u>	<u>\$ (3,496,803)</u>	<u>\$ (24,093.00)</u>	<u>\$ 80,870,986</u>
<i>Business type activities:</i>				
Equipment	\$ 151,564	\$ -	\$ -	\$ 151,564
Less accumulated depreciation	(62,760)	(2,794)	-	(65,554)
Business activities capital assets, net	<u>\$ 88,804</u>	<u>\$ (2,794)</u>	<u>\$ -</u>	<u>\$ 86,010</u>



The decrease of \$(3,523,690) from the prior year is primarily attributable to infrastructure depreciation.

## DEBT MANAGEMENT

A summary of County debt transactions for the fiscal year ended September 30, 2019 follows:

	Balance at 10/1/2018	Additions	Deletions	Balance at 9/30/2019	Due Within One Year
<b>Governmental Activities:</b>					
Capital Lease - Dominion Voting Systems	\$ 343,392	\$ -	\$ 57,232	\$ 286,160	\$ 57,232
Capital Lease - City National Capital Finance, Inc.	276,234	-	66,191	210,043	68,067
Capital Lease - Beard Equipment Company	355,861	-	126,838	229,023	130,412
<b>Other liabilities:</b>					
Compensated Absences payable	685,693	139,375	-	825,068	123,760
County's proportionate share of FRS pension liability	14,894,506	1,763,515	-	16,658,021	2,102,979
<b>Business-Type Activities</b>					
County's proportionate share of FRS pension liability	20,401	7,515	-	27,916	4,223
	<u>\$ 16,555,686</u>	<u>\$ 1,902,890</u>	<u>\$ 250,261</u>	<u>\$ 18,208,315</u>	<u>\$ 2,486,673</u>

## OTHER FINANCIAL INFORMATION

### Economic Factors and Next Year's Budget

- The unemployment rate for the County for 2019 was 3.3%. This represents a decrease from the prior fiscal year of 0.4%.
- The median family household income for the County in 2019 was \$36,934, 31% less than the statewide average of \$53,267.
- The County-wide ad valorem tax millage rate for the County was 7.2426 for 2019. There was an increase in revenue of \$29,573. As a fiscally constrained county, Taylor County received a distribution of \$702,795 from the State. It is hopeful that the "offset" will continue in the future.

## REQUEST 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. Questions concerning this report or requests for additional information should be addressed to the County Finance Director, 108 N. Jefferson Street, Suite 102, Perry, Florida, 32347, or by calling 850-838-3506, extension 122.

## **BASIC FINANCIAL STATEMENTS**

**TAYLOR COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
September 30, 2019

	<b>Governmental Activities</b>	<b>Business - type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 12,025,641	\$ 115,658	\$ 12,141,299
Accounts receivable - net	89,233	-	89,233
Due from agency funds	112,122	-	112,122
Due from other governmental units	1,546,738	-	1,546,738
Inventories	229,209	42,289	271,498
Investments	9,023,738	-	9,023,738
Prepaid expenses	6,000	-	6,000
Total current assets	<u>23,032,681</u>	<u>157,947</u>	<u>23,190,628</u>
Noncurrent assets:			
Capital assets - net	<u>80,870,986</u>	<u>86,010</u>	<u>80,956,996</u>
Total assets	<u>103,903,667</u>	<u>243,957</u>	<u>104,147,624</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Share of pension plan deferred outflows	<u>5,655,977</u>	<u>9,478</u>	<u>5,665,455</u>
<b>LIABILITIES</b>			
Current liabilities (payable from current assets):			
Accounts payable	688,961	2,356	691,317
Accrued wages	92,152	-	92,152
Due to other governmental units	300	-	300
Unearned revenues	269,610	-	269,610
Accrued compensated absences	123,760	-	123,760
Capital leases - current portion	255,711	-	255,711
Pension liability	2,102,979	4,223	2,107,202
Other current liabilities	15,488	407	15,895
Total current liabilities (payable from current assets)	<u>3,548,961</u>	<u>6,986</u>	<u>3,555,947</u>
Noncurrent liabilities			
Capital leases payable	469,515	-	469,515
Accrued compensated absences	701,308	-	701,308
Pension plan liability	14,555,042	23,693	14,578,735
Total long-term liabilities	<u>15,725,865</u>	<u>23,693</u>	<u>15,749,558</u>
Total liabilities	<u>19,274,826</u>	<u>30,679</u>	<u>19,305,505</u>

(Continued)

**TAYLOR COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
September 30, 2019

	<u>Governmental Activities</u>	<u>Business - type Activities</u>	<u>Total</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Share of pension plan deferred inflows	1,639,490	2,747	1,642,237
	<u>1,639,490</u>	<u>2,747</u>	<u>1,642,237</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	80,145,760	86,010	80,231,770
Restricted	5,803,053	-	5,803,053
Unrestricted	2,696,515	133,999	2,830,514
Total net position	<u>\$ 88,645,328</u>	<u>\$ 220,009</u>	<u>\$ 88,865,337</u>

See notes to financial statements.



**TAYLOR COUNTY, FLORIDA  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
September 30, 2019**

	Special Revenue							Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds	
	General	Road and Bridge	Municipal Services Taxing Unit	Hospital Sales Tax	Small County Sales Surtax	Solid Waste	Sheriff Operating	Tax Collector Operating	Hospital			Secondary Road Projects
<b>ASSETS</b>												
Cash	\$ 3,179,714	\$ -	\$ 841,859	\$ 474,513	\$ 2,709,073	\$ 271,720	\$ 415,956	99,576	\$ -	\$ 1,376,924	\$ 2,656,306	\$ 12,025,641
Accounts receivable	10,264	-	825	-	-	1,309	-	-	-	-	76,835	89,233
Due from other funds	1,620,723	943,635	111,157	-	-	64,496	-	-	-	34,560	117,459	2,892,030
Due from other governmental units	555,316	162,825	38,937	-	204,362	7,742	-	-	-	98,783	478,773	1,546,738
Inventories	-	229,209	-	-	-	-	-	-	-	-	-	229,209
Investments	5,644,686	159,430	516,019	2,649	115	86,698	-	-	28,311	2,166,227	419,603	9,023,738
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	6,000	6,000
<b>Total assets</b>	<b>\$ 11,010,703</b>	<b>\$ 1,495,099</b>	<b>\$ 1,508,797</b>	<b>\$ 477,162</b>	<b>\$ 2,913,550</b>	<b>\$ 431,965</b>	<b>\$ 415,956</b>	<b>\$ 99,576</b>	<b>\$ 28,311</b>	<b>\$ 3,676,494</b>	<b>\$ 3,754,976</b>	<b>\$ 25,812,589</b>
<b>LIABILITIES AND FUND BALANCES</b>												
<b>LIABILITIES</b>												
Accounts payable	\$ 329,059	\$ 100,605	\$ 13,547	\$ -	\$ 5,939	\$ 79,234	\$ -	\$ -	\$ -	\$ 28,345	\$ 132,232	\$ 688,961
Accrued wages	34,991	23,202	21,116	-	-	11,284	-	-	-	-	1,559	92,152
Accrued payroll liabilities	276	-	-	-	-	-	-	-	-	-	-	276
Due to other funds	84,958	532,563	44,056	-	334,120	8,001	414,381	97,476	28,170	680,693	555,490	2,779,908
Due to other governmental units	-	-	300	-	-	-	-	-	-	-	-	300
Unearned revenues	-	-	-	-	-	-	-	-	-	-	269,610	269,610
Other current liabilities	-	-	-	-	-	-	1,575	2,100	-	-	11,537	15,212
<b>Total liabilities</b>	<b>449,284</b>	<b>656,370</b>	<b>79,019</b>	<b>-</b>	<b>340,059</b>	<b>98,519</b>	<b>415,956</b>	<b>99,576</b>	<b>28,170</b>	<b>709,038</b>	<b>970,428</b>	<b>3,846,419</b>
<b>FUND BALANCES</b>												
Nonspendable	-	229,209	-	-	-	-	-	-	-	-	-	229,209
Restricted	454,950	609,520	-	-	-	-	-	-	-	2,967,456	1,771,127	5,803,053
Assigned	704,616	-	1,429,778	477,162	2,573,491	333,446	-	-	141	-	1,013,421	6,532,055
Unassigned	9,401,853	-	-	-	-	-	-	-	-	-	-	9,401,853
<b>Total fund balances</b>	<b>10,561,419</b>	<b>838,729</b>	<b>1,429,778</b>	<b>477,162</b>	<b>2,573,491</b>	<b>333,446</b>	<b>-</b>	<b>-</b>	<b>141</b>	<b>2,967,456</b>	<b>2,784,548</b>	<b>21,966,170</b>
<b>Total liabilities and fund balances</b>	<b>\$ 11,010,703</b>	<b>\$ 1,495,099</b>	<b>\$ 1,508,797</b>	<b>\$ 477,162</b>	<b>\$ 2,913,550</b>	<b>\$ 431,965</b>	<b>\$ 415,956</b>	<b>\$ 99,576</b>	<b>\$ 28,311</b>	<b>\$ 3,676,494</b>	<b>\$ 3,754,976</b>	

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.

80,870,986

Long-term liabilities are not due and payable and are therefore not reported in the funds:

Capital leases

(725,226)

Accrued compensated absences

(825,068)

FRS pension liability

(16,658,021)

Other deferred amounts are not reported in funds because they do not provide or use current resources:

Deferred outflows (inflows) of resources

4,016,487

Net position of governmental activities

\$ 88,645,328

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended September 30, 2019**

	Special Revenue						Debt Service		Capital Projects		Other Governmental Funds	Total Governmental Funds
	General	Road and Bridge	Municipal Services Taxing Unit	Hospital Sales Tax	Small County Sales Surtax	Solid Waste	Sheriff Operating	Tax Collector Operating	Hospital	Secondary Road Projects		
<b>REVENUES</b>												
Taxes	\$ 10,098,158	\$ 838,475	\$ 1,328,114	\$ -	\$ 1,853,400	\$ 17,281	\$ -	\$ -	\$ -	\$ -	\$ 551,355	\$ 14,686,783
Licenses and permits	-	200	179,343	-	-	-	-	-	-	-	-	179,543
Intergovernmental	4,920,192	847,583	129,607	-	-	12,010	78,338	-	-	1,030,403	2,081,020	9,099,153
Charges for services	327,491	-	2,020	-	-	-	148,917	835,870	-	-	749,052	2,063,350
Fines and forfeitures	15,614	-	-	-	-	-	-	-	-	-	165,659	181,273
Miscellaneous	107,374	16,315	34,598	-	-	112,411	3,474	-	-	-	102,318	376,490
Special assessments	142,681	-	-	-	-	1,047,967	-	-	-	-	48,886	1,239,534
Interest	150,091	5,625	16,010	1,121	3,502	3,338	-	1,915	-	61,609	8,789	252,000
<b>Total revenues</b>	<b>15,761,601</b>	<b>1,708,198</b>	<b>1,689,692</b>	<b>1,121</b>	<b>1,856,902</b>	<b>1,193,007</b>	<b>230,729</b>	<b>837,785</b>	<b>-</b>	<b>1,092,012</b>	<b>3,707,079</b>	<b>28,078,126</b>
<b>EXPENDITURES</b>												
Current expenditures												
General government	1,955,684	2,260	227,569	-	-	-	-	1,042,085	-	-	2,437,914	5,665,512
Public safety	1,089,164	-	1,227,349	-	319,057	-	6,731,927	-	-	-	163,892	9,531,389
Physical environment	222,691	39,228	-	-	-	1,187,198	-	-	-	-	35,539	1,484,656
Transportation	-	2,327,290	-	-	-	-	-	-	-	62,891	101,510	2,491,691
Economic environment	457,277	-	-	-	-	-	-	-	-	-	1,316,553	1,773,830
Human services	584,472	-	188,591	63,011	-	-	-	-	-	-	-	836,074
Culture / recreation	650,633	-	-	-	-	-	-	-	-	-	41,267	691,900
Court-related	161,215	-	-	-	-	-	-	-	-	-	678,796	840,011
Capital outlay												
General government	25,048	-	-	-	-	-	-	2,995	-	-	77,121	105,164
Public safety	514,977	-	13,019	-	-	-	87,696	-	-	-	24,583	640,275
Physical environment	13,900	-	-	-	-	56,321	-	-	-	-	176,783	247,004
Transportation	-	75,564	-	-	-	-	-	-	-	-	652,963	728,527
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture / recreation	72,040	-	-	-	-	-	-	-	-	-	-	72,040
Court-related	-	-	-	-	-	-	-	-	-	-	-	-
Debt service												
Principal	57,232	126,838	66,191	-	-	-	-	-	-	-	-	250,261
Interest	-	7,249	7,828	-	-	-	-	-	-	-	-	15,077
<b>Total expenditures</b>	<b>5,804,333</b>	<b>2,578,429</b>	<b>1,730,547</b>	<b>63,011</b>	<b>319,057</b>	<b>1,243,519</b>	<b>6,819,623</b>	<b>1,045,080</b>	<b>-</b>	<b>62,891</b>	<b>5,706,921</b>	<b>25,373,411</b>
Excess of revenues over (under) expenditures	9,957,268	(870,231)	(40,855)	(61,890)	1,537,845	(50,512)	(6,588,894)	(207,295)	-	1,029,121	(1,999,842)	2,704,715
<b>OTHER FINANCING SOURCES (USES)</b>												
Sale of fixed assets	317,940	-	-	-	-	-	-	-	-	-	-	317,940
Interfund transfers in	271,725	1,007,436	111,157	95,666	-	64,496	6,594,894	304,771	-	-	2,611,863	11,062,008
Interfund transfers out	(9,070,859)	(23,220)	(64,174)	-	(334,120)	(91,170)	(6,000)	(97,476)	-	(780,693)	(594,296)	(11,062,008)
<b>Total other financing sources (uses)</b>	<b>(8,481,194)</b>	<b>984,216</b>	<b>46,983</b>	<b>95,666</b>	<b>(334,120)</b>	<b>(26,674)</b>	<b>6,588,894</b>	<b>207,295</b>	<b>-</b>	<b>(780,693)</b>	<b>2,017,567</b>	<b>317,940</b>
Net change in fund balances	1,476,074	113,985	6,128	33,776	1,203,725	(77,186)	-	-	-	248,428	17,725	3,022,655
Fund balances beginning of year	9,085,345	724,744	1,423,650	443,386	1,369,766	410,632	-	-	141	2,719,028	2,766,823	18,943,515
<b>Fund balances end of year</b>	<b>\$ 10,561,419</b>	<b>\$ 838,729</b>	<b>\$ 1,429,778</b>	<b>\$ 477,162</b>	<b>\$ 2,573,491</b>	<b>\$ 333,446</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 141</b>	<b>\$ 2,967,456</b>	<b>\$ 2,784,548</b>	<b>\$ 21,966,170</b>

**TAYLOR COUNTY, FLORIDA**

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended September 30, 2019**

Net change in fund balances - total governmental funds		\$ 3,022,655
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
Capital outlay	\$ 1,793,932	
Less current year depreciation	(5,290,735)	
The net effect of dispositions of fixed assets	<u>(24,093)</u>	(3,520,896)
<p>Repayments of debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Payments for capital leases and notes	<u>250,261</u>	250,261
<p>Some revenues (expenses) reported in the statement of activities do not provide (require) the use of current financial resources, therefore, are not reported as revenues (expenditures) in governmental funds.</p>		
Net change in deferred outflows (inflows) of resources	(496,670)	
Net change in compensated absences	(139,375)	
Net change in pension liability	<u>(1,763,517)</u>	<u>(2,399,562)</u>
Change in net position of governmental activities		<u>\$ (2,647,542)</u>

See notes to financial statements.



**TAYLOR COUNTY, FLORIDA**

**STATEMENT OF NET POSITION**

**PROPRIETARY FUND**

**September 30, 2019**

<b>ASSETS</b>	<b>Airport Enterprise</b>
<b>Current assets:</b>	
Cash	\$ 115,658
Inventories	42,289
<b>Total current assets</b>	<b>157,947</b>
 <b>Fixed assets:</b>	
Equipment	151,564
Less: accumulated depreciation	(65,554)
<b>Total fixed assets</b>	<b>86,010</b>
<b>Total assets</b>	<b>243,957</b>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Share of pension plan deferred outflows	9,478
 <b>LIABILITIES</b>	
<b>Current liabilities</b>	
Accounts payable	2,356
Accrued wages	407
<b>Total current liabilities</b>	<b>2,763</b>
 <b>Noncurrent liabilities</b>	
Pension plan liability	27,916
<b>Total liabilities</b>	<b>30,679</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Share of pension plan deferred inflows	2,747
 <b>NET POSITION</b>	
Invested in capital assets	86,010
Unrestricted	133,999
<b>Total net position</b>	<b>\$ 220,009</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**

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

**PROPRIETARY FUND**

**For the Fiscal Year Ended September 30, 2019**

	<u>Airport Enterprise</u>
<b>OPERATING REVENUES</b>	
Transportation	
Airports	
Airport fuel sales	\$ 266,363
Interest	132
	266,495
<b>OPERATING EXPENSES</b>	
Airport fuel operations	
Personnel services	
Regular salaries	15,259
Employee benefits	14,094
Total personnel services	29,353
Operating expenses	
Communications	295
Contractual services	2,475
Utility services	1,462
Repair and maintenance	5,816
Petroleum products	237,514
Supplies	198
Depreciation	2,793
Total operating expenses	250,553
Total operating expenses	279,906
Operating loss	(13,411)
Net position, beginning of year	233,420
Net position, end of year	\$ 220,009

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
For the Fiscal Year Ended September 30, 2019

	<u>Airport Enterprise</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 266,363
Cash payments to employees	(15,191)
Cash payments for employee benefits	(7,128)
Cash payments for suppliers	(269,674)
Interest income	132
Net cash used by operating activities	(25,498)
Cash and cash equivalents, beginning of year	141,156
Cash and cash equivalents, end of year	\$ 115,658

**RECONCILIATION OF OPERATING INCOME TO NET  
CASH USED BY OPERATING ACTIVITIES**

Operating loss	\$ (13,411)
Adjustments to reconcile operating income to net cash used by operating activities	
Depreciation	2,793
FRS pension liability and deferred outflows and inflows	6,966
Changes in assets and liabilities	
(Increase) decrease in:	
Inventories	(13,515)
Increase (decrease) in:	
Accounts payable	(8,399)
Accrued wages	68
Total adjustments	(12,087)
Net cash used by operating activities	\$ (25,498)

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**

**AGENCY FUNDS**  
**September 30, 2019**

	Clerk of Courts			Sheriff			Tax Collector		Totals
	General	Registry	Cash	Individual	Inmate	Evidence	Tax	Tag	
	Trust	of Court	Bond	Depository	Trust	Trust			
<b>ASSETS</b>									
Cash	\$ 108,399	\$ 70,467	\$ 28,994	\$ 5,760	\$ 4,484	\$ 3,511	\$ 383,231	\$ 2,061	\$ 606,907
Accounts receivable	1,494	-	-	-	658	-	20,299	23,193	45,644
Due from other funds	-	-	-	-	-	-	-	-	-
Investments	117,167	-	-	-	-	-	-	-	117,167
<b>Total assets</b>	<b>\$ 227,060</b>	<b>\$ 70,467</b>	<b>\$ 28,994</b>	<b>\$ 5,760</b>	<b>\$ 5,142</b>	<b>\$ 3,511</b>	<b>\$ 403,530</b>	<b>\$ 25,254</b>	<b>\$ 769,718</b>
<b>LIABILITIES</b>									
Due to individuals	\$ -	\$ -	\$ -	\$ -	\$ 5,142	\$ -	\$ -	\$ -	\$ 5,142
Due to other funds	112,122	-	-	-	-	-	-	-	112,122
Due to other governmental units	4,246	-	-	-	-	-	2,619	6,030	12,895
Cash bonds payable	4,000	-	28,994	-	-	-	-	-	32,994
Interest payable	7,110	-	-	-	-	3,511	-	-	10,621
Other current liabilities	1,177	-	-	5,760	-	-	22,705	6,105	35,747
Taxes and fees payable	-	-	-	-	-	-	365,484	-	365,484
Deposits payable	98,405	70,467	-	-	-	-	12,722	13,119	194,713
<b>Total liabilities</b>	<b>227,060</b>	<b>70,467</b>	<b>28,994</b>	<b>5,760</b>	<b>5,142</b>	<b>3,511</b>	<b>403,530</b>	<b>25,254</b>	<b>769,718</b>
<b>NET POSITION</b>									
Total net position	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to financial statements.

## TAYLOR COUNTY, FLORIDA

### NOTES TO FINANCIAL STATEMENTS

September 30, 2019

#### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Taylor County, Florida, (the "County") is a political subdivision of the State pursuant to Article VIII, Section 1(a) of the Constitution of the State of Florida. The County is governed by the Board of County Commissioners and five elected constitutional officers (Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector) in accordance with State statutes and regulations. The constitutional officers maintain separate accounting records and budgets from the Board of County Commissioners. The Constitution of the State of Florida, Article VIII, Section 1(d) created the constitutional officers and Article VIII, Section 1(e), created the Board of County Commissioners.

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

#### **A. Reporting Entity**

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, 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) it 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. Based on these criteria, County management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the County's special purpose financial statements. Management determined that there are no organizations that should be included in the County's financial statements as component units, except for the constitutional officer component units described above.

## **B. Measurement Focus and Basis of Accounting**

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

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Required supplementary information

### **1. Government-wide Financial Statements**

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

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

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

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

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

## **2. Fund Financial Statements**

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

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

## **3. Governmental Funds**

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

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be the measure of “available spendable resources.” Governmental funds operating statements present increases (revenue and other financing sources) and decreases (expenditures and other

financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Any non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Non-current portions of other long-term receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by 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.

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

#### **4. Proprietary Funds**

The County’s Airport Enterprise Fund is a proprietary fund. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets.

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

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



## **C. Basis of Presentation**

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds which either had debt outstanding or specific community focus as major funds. The non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

### **1. Governmental Major Funds:**

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

**Hospital Sales Tax Fund** - The Hospital Sales Tax Fund accounts for revenues generated by the local option one cent Small County Surtax which is utilized as provided by law.

**Municipal Services Taxing Unit Fund (Municipal Services)** - The Municipal Services Fund accounts for fire control and other services which primarily benefit residents in the unincorporated area of the County. Financing is provided by ad valorem taxes levied in the unincorporated area as well as other revenues primarily attributable to the unincorporated area.

**Road and Bridge Fund** - The Road and Bridge Fund accounts for expenditures incurred for the maintenance and repairs of County roads. Financing is provided by local option fuel taxes and distributions of state shared fuel taxes.

**Solid Waste Fund** - The Solid Waste Fund accounts for expenditures related to the collection and disposal of solid waste within the unincorporated area of the County. Financing is substantially provided by non-ad valorem assessments levied on benefited property.

**Sheriff Operating Fund** – The Sheriff Operating Fund is the general operating fund of the Sheriff, a Constitutional Officer. It is used to account for all financial resources and expenditures of the Sheriff, except those required to be accounted for in another fund.

**Small County Sales Surtax** – The Small County Sales Surtax Fund is used to account for the proceeds and expenditures of the local option Discretionary Sales Surtax imposed by the County.

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

**Hospital Debt Service Fund** - The Hospital Debt Service Fund accounts for the debt service activities associated with the Sales Tax Revenue Bonds Series 2005 and Hancock Bank loan,

which were issued to finance the construction of the hospital facility operated by Doctors Memorial Hospital, Inc.

**Secondary Road Projects Fund** - The Secondary Roads Projects Fund accounts for the expenditures of road and bridge construction. Financing is provided by collections of the 5<sup>th</sup> and 6<sup>th</sup> cent state shared gas taxes.

## **2. Proprietary Major Fund:**

**Airport Enterprise Fund** - The Airport Enterprise Fund accounts for the revenues, expenses, assets and liabilities associated with the County operated aviation fuel sales at the County airport facility.

### **Non-current Governmental Assets/Liabilities:**

GASB Statement 34 requires non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds and capital leases, to be reported in the governmental activities column in the government-wide statement of net position.

## **D. Assets, Liabilities and Net position or Equity**

### **1. Cash and Cash Equivalents**

The County maintains a cash pool that is available for use by all funds. Earnings from the pooled cash are allocated to the respective funds based on applicable cash participation by each fund. The cash pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the cash pools are classified as cash and cash equivalents for financial statement purposes, including the statement of cash flows. In addition, longer-term investments are held by certain of the County's funds and are reported as investments on these statements. The County invests surplus public funds in accordance with Section 218.415 Florida Statutes.

For purposes of the statement of cash flows, the County considers all enterprise fund highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

### **2. Investments**

Investments consist of participation in the Local Government Surplus Funds Trust Fund Investment Pool (Florida PRIME) and the Florida Local Government Investment Trust Fund (Trust) and local investments. Fair value of Florida PRIME and the Trust are based on the fair value per share of the underlying portfolio. Due to its utilization as a daily cash investment account, a portion of the Florida PRIME balance in the General Fund is classified with the cash balance on the financial statements.

### **3. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All receivables are shown net of an allowance for doubtful accounts. Any receivables in excess of 180 days would comprise the trade accounts receivable allowance for doubtful accounts. At September 30, 2019, there was no allowance for doubtful accounts.

### **4. Inventories**

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

### **5. Restricted Assets**

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

### **6. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The Board of County Commissioners holds legal title to the capital assets used in the operations of the County, Clerk of the Circuit Court, Property Appraiser, Supervisor of Elections and Tax Collector, as is accountable for them under Florida Law.

The Sheriff is accountable for and thus maintains capital asset records pertaining only to equipment used in his operations. These assets have been combined with the Board's governmental activities capital assets in the statement of net position.

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

<u>Assets</u>	<u>Years</u>
Building and improvements	7 - 40
Machinery and equipment	5 - 20
Road and bridge infrastructure	40 - 50

**7. Capitalization of Interest**

Interest costs related to bond issues are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments. During the current year, the County did not have any capitalized interest.

**8. Revenues Collected in Advance**

Revenues collected in advance, reported in government-wide financial statements represent unearned revenues. Revenues collected in advance reported in governmental fund financial statements are measurable but not available at year end because grant conditions for earning the revenue have not been met. The revenues collected in advance will be recognized as revenue in the fiscal year they are earned in accordance with the modified accrual basis of accounting.

**9. Prepaid Items**

Prepaid insurance and similar items are recorded using the consumption method of accounting. Under the consumption method, services paid for in advance are reported as an asset until the period in which the services are actually consumed.

**10. Accrued Compensated Absences**

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentation.

## **11. Deferred Inflows (Outflows) of Resources**

An acquisition of net assets by the County that is applicable to a future reporting period is required to be classified as a Deferred Inflow of Resources under Governmental Accounting Standards Board (GASB) Statement Number 65. The County reports deferred inflows and outflows of resources in compliance with GASB 68 that are related to its share of the the Florida State Pension System net pension liability,

## **12. Obligation for Bond Arbitrage Rebate**

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the “revenue reduction” approach in accounting to rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2019.

## **13. Landfill Closure Costs**

Under the terms of current state and federal regulations, the County was required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of twenty years after closure. The County recognized these costs of post-closure maintenance annually. In April 2016, the County was fully released from this obligation by the State Department of Environmental Protection.

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

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

“Total fund balances” of the County’s governmental funds (\$21,966,170) differs from “net position” of governmental activities (\$88,645,328) reported in the statement of net position. This difference primarily results from the long-term economical focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

### Capital related items

When capital assets (property, plant, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the County as a whole.

Cost of capital assets	\$ 172,857,421
Accumulated depreciation	<u>(91,986,435)</u>
Total	<u>\$ 80,870,986</u>

Long-term debt transactions

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2019, were:

Capital leases and note payable	\$ 725,226
Compensated absences	825,068
Pension liability	<u>16,658,021</u>
Total	<u>\$ 18,208,315</u>

Deferred Outflow and Inflow of Resources

The net effect of deferred outflows and inflows of resources related to the County's proportionate share of the FRS pension plan liability was \$4,016,487.

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$ 2,779,908 between governmental funds must be eliminated for the statement of net position.

## TAYLOR COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Deferred Inflows Outflows	Reclassifications and Eliminations	Statement of Net Position
<b>ASSETS</b>						
Cash and cash equivalents	\$ 12,025,641	\$ -	\$ -	\$ -	\$ -	\$ 12,025,641
Accounts receivable - net	89,233	-	-	-	-	89,233
Due from other funds	2,892,030	-	-	-	(2,779,908)	112,122
Due from other governmental units	1,546,738	-	-	-	-	1,546,738
Inventories	229,209	-	-	-	-	229,209
Investments	9,023,738	-	-	-	-	9,023,738
Prepaid expenses	6,000	-	-	-	-	6,000
Capital assets - net	-	80,870,986	-	-	-	80,870,986
<b>Total assets</b>	<b>25,812,589</b>	<b>80,870,986</b>	<b>-</b>	<b>-</b>	<b>(2,779,908)</b>	<b>103,903,667</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,655,977</b>	<b>-</b>	<b>5,655,977</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>25,812,589</b>	<b>80,870,986</b>	<b>-</b>	<b>5,655,977</b>	<b>(2,779,908)</b>	<b>109,559,644</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	688,961	-	-	-	-	688,961
Accrued wages	92,152	-	-	-	-	92,152
Accrued payroll liabilities	276	-	-	-	-	276
Due to other funds	2,779,908	-	-	-	(2,779,908)	-
Due to other governmental units	300	-	-	-	-	300
Revenues collected in advance	269,610	-	-	-	-	269,610
Other current liabilities	15,212	-	-	-	-	15,212
Accrued compensated absences	-	-	825,068	-	-	825,068
Capital leases and notes payable	-	-	725,226	-	-	725,226
Pension liability	-	-	16,658,021	-	-	16,658,021
<b>Total liabilities</b>	<b>3,846,419</b>	<b>-</b>	<b>18,208,315</b>	<b>-</b>	<b>(2,779,908)</b>	<b>19,274,826</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,639,490</b>	<b>-</b>	<b>1,639,490</b>
<b>Fund balances/net position</b>	<b>21,966,170</b>	<b>80,870,986</b>	<b>(18,208,315)</b>	<b>4,016,487</b>	<b>-</b>	<b>88,645,328</b>
<b>Total liabilities , deferred inflows and net position</b>	<b>\$ 25,812,589</b>	<b>\$ 80,870,986</b>	<b>\$ -</b>	<b>\$ 5,655,977</b>	<b>\$ (2,779,908)</b>	<b>\$ 109,559,644</b>

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

The “net change in fund balances” for governmental funds (\$3,022,655) differs from the “change in net position” for governmental activities (\$2,647,542) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charges for the year.

<b>Capital outlay</b>	<b>\$ 1,793,932</b>
<b>Reclassifications /deletions</b>	<b>(24,093)</b>
<b>Depreciation expense</b>	<b><u>(5,290,735)</u></b>
<b>Difference</b>	<b><u><u>\$ (3,520,896)</u></u></b>

Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.

<b>Principal payments made</b>	<b><u><u>\$ 250,261</u></u></b>
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Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

<b>Net change in compensated absences</b>	<b><u><u>\$ (139,375)</u></u></b>
<b>Net change in pension related liabilities and deferred inflows and outflows of resources</b>	<b><u><u>\$ 2,260,187</u></u></b>



### Reclassification and Eliminations

Transfers in and transfers out in the amount of \$ 10,929,528 between governmental activities should be eliminated.

**TAYLOR COUNTY, FLORIDA**

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

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

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Compensated Absences	Net Pension Liability Deferred Inflows/Outflows of Resources	Reclassifications and Eliminations	Statement of Activities
<b>REVENUES</b>							
Taxes	\$ 14,686,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,686,783
Licenses and permits	179,543	-	-	-	-	-	179,543
Intergovernmental	9,099,153	-	-	-	-	-	9,099,153
Charges for services	2,063,350	-	-	-	-	-	2,063,350
Fines and forfeitures	181,273	-	-	-	-	-	181,273
Special assessments	1,239,534	-	-	-	-	-	1,239,534
Interest	252,000	-	-	-	-	-	252,000
Miscellaneous	376,490	-	-	-	-	-	376,490
<b>Total revenues</b>	<b>28,078,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,078,126</b>
<b>EXPENDITURES</b>							
<b>Current Expenditures</b>							
General government	5,665,512	89,556	-	(24,403)	1,531,032	-	7,261,697
Public safety	9,531,389	520,386	-	133,972	175,060	-	10,360,807
Physical environment	1,484,656	122,536	-	5,287	140,184	-	1,752,663
Transportation	2,491,691	3,257,833	-	30,795	217,102	-	5,997,421
Economic environment	1,773,830	105	-	17,086	45,956	-	1,836,977
Human services	836,074	745,093	-	(25,870)	23,888	-	1,579,185
Culture/recreation	691,900	459,271	-	2,508	47,615	-	1,201,294
Court related	840,011	119,126	-	-	79,350	-	1,038,487
<b>Capital outlay</b>							
General government	105,164	(105,164)	-	-	-	-	-
Public safety	640,275	(640,275)	-	-	-	-	-
Physical environment	247,004	(247,004)	-	-	-	-	-
Transportation	728,527	(728,527)	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-
Culture/recreation	72,040	(72,040)	-	-	-	-	-
Court related	-	-	-	-	-	-	-
<b>Debt Service</b>							
Principal	250,261	-	(250,261)	-	-	-	-
Interest	15,077	-	-	-	-	-	15,077
<b>Total expenditures</b>	<b>25,373,411</b>	<b>3,520,896</b>	<b>(250,261)</b>	<b>139,375</b>	<b>2,260,187</b>	<b>-</b>	<b>31,043,608</b>
<b>Excess of revenues over (under) expenditures</b>	<b>2,704,715</b>	<b>(3,520,896)</b>	<b>250,261</b>	<b>(139,375)</b>	<b>(2,260,187)</b>	<b>-</b>	<b>(2,965,482)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Debt proceeds	317,940	-	-	-	-	-	317,940
Transfers in	11,062,008	-	-	-	-	(10,929,528)	132,480
Transfers out	(11,062,008)	-	-	-	-	10,929,528	(132,480)
<b>Total other financing sources (uses)</b>	<b>317,940</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>317,940</b>
<b>Net change in fund balance</b>	<b>3,022,655</b>	<b>(3,520,896)</b>	<b>250,261</b>	<b>(139,375)</b>	<b>(2,260,187)</b>	<b>-</b>	<b>(2,647,542)</b>
<b>Fund balances at beginning of year</b>	<b>18,943,515</b>	<b>84,391,882</b>	<b>(975,487)</b>	<b>\$ (685,693)</b>	<b>(10,381,347)</b>	<b>-</b>	<b>91,292,870</b>
<b>Fund balances at end of year</b>	<b>\$ 21,966,170</b>	<b>\$ 80,870,986</b>	<b>\$ (725,226)</b>	<b>\$ (825,068)</b>	<b>\$ (12,641,534)</b>	<b>\$ -</b>	<b>\$ 88,645,328</b>

### NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### Budgets and Budgetary Accounting

The County uses the following procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to July 15, the Clerk of the Circuit Court serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
5. Formal budgetary integration is employed as a management control device in all governmental funds.
6. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2019, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budget is adopted on the accrual basis.
7. Legal control of the budget is exercised pursuant to applicable provisions of *Florida Statutes*.
8. Appropriations for the County lapse at the close of the fiscal year.
9. The following is a comparison of the appropriations to total expenses for the proprietary fund for the fiscal year ended September 30, 2019.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive</u>
Primary Government			
Enterprise Funds:			
Airport Enterprise	<u>\$ 390,317</u>	<u>\$ 279,906</u>	<u>\$ 110,411</u>

## **NOTE 4. CASH AND CASH EQUIVALENTS**

The County maintains a cash pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions.

### **A. Deposits**

At September 30, 2019, the carrying amount of the County's bank deposits was \$12,748,206. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

### **B. Investments**

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

#### ***Florida PRIME***

The County's investment in Florida PRIME is administered by the Florida State Board of Administration (SBA). Florida PRIME is an external investment pool that is not a registrant with the SEC; however, the SBA has adopted operating procedures consistent with the requirements for a SEC Rule 2a-7 fund. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general operating procedures for the administration of Florida PRIME. Additionally, the State of Florida, Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Throughout the year and as of September 30, 2019, Florida PRIME contained certain floating rate and adjustable rate securities that were indexed based on the prime rate and/or one- and three-month LIBOR. These floating rate and adjustable rate securities are used to hedge against interest risk and provide diversification to the portfolio. Exposure to a single issuer is limited to 5% of the portfolio's amortized cost. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form.

At September 30, 2019, the County had \$5,929.896 invested in Florida PRIME. Florida PRIME's most recent financial statements can be found at <https://www.sbafla.com/prime/Audits/tabid/582Default.aspx>.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy to minimize interest rate risk is by structuring the investment portfolio so that the investments are readily convertible to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

*Foreign Currency Risk:* Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment on a deposit. The County does not hold foreign or foreign currency investments and therefore is not subject to foreign currency risk.

*Credit Risk:* The County also mitigates credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of investment or collateral securities that are held in the possession of an outside party. The County generally limits this risk by investing only in permitted investments.

*Concentrations of Credit Risk:* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The implementation of GASB Statement No. 40 requires the disclosure of investments in any one issuer that represent 5% or more of total investments.

Credit Risk. Investments in the Florida State Board of Administration Pools (SBA) consist of the Local Government Surplus Funds Trust (Florida PRIME). The Florida PRIME is rated by Standard and Poors. The current rating is AAAM. The Investment Manager of the Florida PRIME manages credit risk by purchasing only high quality securities, performing a credit analysis to develop a database of issuers and securities that meet the Investment Manager's minimum standard and by regularly reviewing the portfolio's securities financial data, issuer news and developments, and ratings of the nationally recognized statistical rating organizations.

### **Fair Value Measurements**

In February 2015, GASB issued GASB Statement No. 72. GASB 72 applicability related to the application of fair value is limited to assets and liabilities that are currently measured at fair value and certain investments that are not currently measured at fair value.

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the participant account balance is considered the fair value of the investment. Florida PRIME investment is exempt from the GASB 72 fair value hierarchy disclosures.

As of September 30, 2019, the County's investment in the Florida PRIME investment pool is rated AAAM by Standard & Poors.

### **Investment Objective**

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Investment performance of Florida PRIME will be evaluated on a monthly basis against the Standard & Poors U.S. AAA & AA Rated GIP All 30 Day

Net Yield Index. While there is no assurance that Florida PRIME will achieve its investment objectives, it endeavors to do so by following the investment strategies described in its policy.

### **Interest Rate Risk**

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2019, is 37 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2019, is 85 days.

### **Foreign Currency Risk**

Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2019 through September 30, 2019.

### **Securities Lending**

Florida PRIME did not participate in a securities lending program in the period October 1, 2018 through September 30, 2019.

### **Fair Value Hierarchy**

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost; therefore, participant account balances should be also reported at amortized cost.

### ***Florida Local Government Investment Trust Fund (Trust)***

The Florida Local Government Investment Trust (Florida Trust) is a local government investment pool (LGIP) developed through the joint efforts of the Florida Court Clerks and Comptrollers (FCCC) and the Florida Association of Counties (FAC). Organized on December 12, 1991, The Florida Trust is designed to complement existing investment programs by providing investment vehicles for funds that can be invested in short- to intermediate-term securities and have returns generally greater than the national average for money market instruments. The Florida Trust offers two open-ended, professionally managed funds available only to public entities in Florida, the Short-term Bond Fund and the Day to Day Fund. The Short-term bond fund is rated AA+ by Fitch Ratings' Agency and structured to maintain liquidity, safety of principal, and maximize available yield through a balance of quality and diversification. This fund invests primarily in U.S. Treasuries, Mortgages, Commercial Paper, Government Related Securities, Asset-Backed Securities rated AAA or A-1, and Corporate Bonds rated A or better by Fitch Ratings. As of September 30, 2019, the Short-term bond fund had investments, at fair value, of approximately \$827,170,404. Of the total investments in this Fund 32.49% was invested in U.S. Treasury Notes. 22.28% was invested in asset backed securities, 21.51% was invested in corporates, 16.24% was invested in government related securities, 4.08% was invested in U.S. Agency notes, .65% was invested in money market funds, .49% was invested in CMO's, 1.27% was invested in Agency ARM and 1% was invested in municipal bonds. The Florida Trust Day to Day Fund had a net position of \$596,573,601. The Day to Day Fund is a Fitch AA+ rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of

current income as is consistent with preservation of principal and liquidity. The **weighted average** maturity was 30.45 days as of September 30, 2019. Investments both funds are reported at fair value based on the fair value per share of the underlying portfolio. Of the total investments Day to Day Fund 14.24% was invested in U.S. Treasury Notes. 21.12% was invested in commercial paper. 27.66% was invested in repurchase agreements, 5.30% was invested in government related securities, 10.37% was invested in Corporates, .09% was invested in money market funds, 2.39% was invested in CMO's, 8.61% was invested in Certificates of Deposit. 8.45% was invested in Asset Backed Securities and 1.77% was invested in Municipals.

As of September 30, 2019, the County had investments with the following issuers in the percentages of total investments and categories shown below:

State Board of Administration Local Government			
Local Government Surplus Trust Fund Florida PRIME	37 Day Average	\$	5,929,896
Florida Local Government Day to Day Fund	30.45 Day Average		3,211,009
Total Investments		\$	<u>9,140,905</u>

### Schedule of Investments at September 30, 2019

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

There were no legal or contractual provisions regarding deposits and investments at year end.

### NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2018-2019 fiscal year were levied in October 2018. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

## NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019, was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions and Adjustments</b>	<b>Balance</b>
<i>Governmental Activities:</i>				
<b>Capital assets</b>				
Land and improvements	\$ 23,929,959	\$ 431,215	\$ -	\$ 24,361,174
Construction in progress	5,788,891	401,313	-	6,190,204
Infrastructure	90,826,875	434,820	-	91,261,695
Buildings	29,045,337	103,697	-	29,149,034
Equipment	18,995,859	335,191	(81,592)	19,249,458
Sheriff equipment	2,558,160	87,696	-	2,645,856
<b>Total capital assets</b>	<b>171,145,081</b>	<b>1,793,932</b>	<b>(81,592)</b>	<b>172,857,421</b>
<b>Less accumulated depreciation</b>				
Board of County Commissioners	(84,716,270)	(4,989,528)	81,592	(89,624,206)
Sheriff	(2,036,929)	(301,207)	(24,093)	(2,362,229)
<b>Total accumulated depreciation</b>	<b>(86,753,199)</b>	<b>(5,290,735)</b>	<b>57,499</b>	<b>(91,986,435)</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 84,391,882</b>	<b>\$ (3,496,803)</b>	<b>\$ (24,093.00)</b>	<b>\$ 80,870,986</b>
<i>Business type activities:</i>				
Equipment	\$ 151,564	\$ -	\$ -	\$ 151,564
Less accumulated depreciation	(62,760)	(2,794)	-	(65,554)
<b>Business activities capital assets, net</b>	<b>\$ 88,804</b>	<b>\$ (2,794)</b>	<b>\$ -</b>	<b>\$ 86,010</b>

### Primary Government

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

<b>Governmental activities:</b>	
General Government	\$ 66,386
Public Safety	219,179
Physical Environment	122,536
Transportation	3,257,832
Economic Environment	105
Human Services	745,093
Culture/Recreation	459,271
Court-related and other	119,126
Sheriff	301,207
<b>Total depreciation expense-governmental activities</b>	<b>\$ 5,290,735</b>
<b>Business-type activities</b>	
Airport Enterprise	\$ 2,794
<b>Total depreciation expense business-type activities</b>	<b>\$ 2,794</b>



**NOTE 7. INTERFUND RECEIVABLES/PAYABLES**

Balances at September 30, 2019, were:

FUND	Interfund Receivables	Interfund Payables
General	\$ 1,620,723	\$ 84,958
Airport Fund	-	121,034
Hospital Debt Service	-	28,170
Municipal Services Benefit Unit	-	42,100
Municipal Services Taxing Unit	111,157	44,056
Road and Bridge	943,635	532,563
Secondary Road Projects	34,560	680,693
Small County Road Assistance	-	71,488
Small County Outreach Project	-	334,120
Solid Waste	64,496	8,001
Community Development Block Grant	-	70,961
Clerk Public Records Modernization Trust	112,122	-
Clerk Operating.	-	6,212
Clerk Trust	-	112,122
Property Appraiser Operating	5,337	1,467
Sheriff Operating	-	414,381
Supervisor of Elections Operating	-	26,319
Tax Collector Operating	-	97,476
Tourism Tax Infrastructure	-	78,430
Tourism Tax 4th and 5th Cent	-	137,479
Total	<u>\$ 2,892,030</u>	<u>\$ 2,892,030</u>

All balances are anticipated to be liquidated within the next fiscal year.

**NOTE 8. INTERFUND TRANSFERS**

Interfund transfers for the year ended September 30, 2019, consisted of the following:

<b>Transfers from General Fund to:</b>	
Hospital Sales Tax	\$ 95,666
Municipal Services Taxing Unit Fund	37,137
Road and Bridge Fund	22,972
Clerk Operating Fund	934,537
Property Appraiser Operating Fund	767,150
Sheriff Operating Fund	6,491,438
Sheriff 911 Coordinator	37,545
Supervisor Operating Fund	593,050
Tax Collector Operating Fund	91,363
<b>Transfers from Road and Bridge Fund to:</b>	
General Fund	23,220
<b>Transfers from Secondary Road Project to:</b>	
Road and Bridge Fund	780,693
<b>Transfers from the Municipal Services Benefit Unit Fund to:</b>	
Tax Collector Operating Fund	1,350
<b>Transfers from Municipal Services Taxing Unit Fund to:</b>	
General Fund	32,596
Solid Waste Fund	8,167
Tax Collector Operating Fund	23,411
<b>Transfers from Small County Sales Surtax Fund to:</b>	
Road and Bridge Fund	203,771
Municipal Services Taxing Unit Fund	74,020
Solid Waste Fund	56,330
<b>Transfers from Sheriff Emergency Management Fund to:</b>	
Sheriff Operating Fund	103,456
<b>Transfers from Sheriff Operating Fund to:</b>	
Sheriff Drug Task Force Grant	6,000
<b>Transfers from Solid Waste Fund to :</b>	
Tax Collector Operating Fund	91,170
<b>Transfer from Local Housing Fund</b>	
Interfund Transfer within the Local Housing Funds	247,262
<b>Transfer from Supervisor of Elections Operating to:</b>	
General Fund	26,319
<b>Transfer from Tax Collector Operating to:</b>	
General Fund	97,476
<b>Transfer from Tourist Development 4th and 5th Cent to:</b>	
General Fund	137,479
<b>Transfers from Tourist Tax Infrastructure to:</b>	
General Fund	78,430
Total transfers	<u>\$ 11,062,008</u>

Transfers are used to 1) move revenues from the fund that state law requires to collect them to the fund that state law requires to expend them, 2) provide matching funds for grants, and 3) use unrestricted general fund revenues to finance transportation activities which must be accounted for in another fund.

## NOTE 9. RECEIVABLE AND PAYABLE BALANCES

### Receivables

Receivables at September 30, 2019, were as follows:

	<u>Accounts Receivable</u>	<u>Due from Other Governments</u>	<u>Total Receivables</u>
<b>Governmental Activities:</b>			
General	\$ 10,264	\$ 555,316	\$ 565,580
Road and Bridge	-	162,825	162,825
Municipal Services Taxing Unit	825	38,937	39,762
Solid Waste	1,309	7,742	9,051
Secondary Road Projects	-	98,783	98,783
Small County Sales Surtax	-	204,362	204,362
Other governmental	76,835	478,773	555,608
Total governmental activities	<u>\$ 89,233</u>	<u>\$ 1,546,738</u>	<u>\$ 1,635,971</u>
<b>Business-type Activities:</b>			
Airport Enterprise	\$ -	\$ -	\$ -
Total business-type activities	<u>\$ 89,233</u>	<u>\$ 1,546,738</u>	<u>\$ 1,635,971</u>

### Payables

Payables at September 30, 2019, were as follows:

	<u>Vendors</u>	<u>Accrued Wages and Benefits</u>	<u>Total</u>
<b>Governmental Activities:</b>			
General	\$ 329,059	\$ 35,267	\$ 364,326
Municipal Services	13,547	21,116	34,663
Road and Bridge	100,605	23,202	123,807
Secondary Road Projects	28,345	-	28,345
Solid Waste	79,234	11,284	90,518
Small County Sales Surtax	5,939	-	5,939
Other governmental	132,232	1,559	133,791
Total governmental activities	<u>\$ 688,961</u>	<u>\$ 92,428</u>	<u>\$ 781,389</u>
<b>Business-type Activities:</b>			
Airport Enterprise	\$ 2,356	\$ 407	\$ 2,763
Total business-type activities	<u>\$ 2,356</u>	<u>\$ 407</u>	<u>\$ 2,763</u>

## NOTE 10. CAPITAL LEASES

### A. Capital Lease Dominion Voting Systems, Inc.

The Board entered into a lease with Dominion Voting Systems, Inc. on June 6, 2016. The lease in the amount of \$457,856 was used to purchase voting equipment and related software and support. The lease is being paid in annual payments of \$57,232 over eight years without interest beginning December, 2017.

### B. Capital Lease Beard Equipment Company

The Board entered into an agreement with Beard Equipment Company on March 26, 2018 for the lease purchase of two motor graders. The lease in the amount of \$387,000 is being paid in thirty-six monthly installments of \$11,290 including interest at 2.98%.

### C. Capital Lease City National Capital Finance, Inc.

The Board entered into a lease purchase agreement with Capital Lease National Capital Finance, Inc. for the purchase of a fire truck. The lease in the amount of \$400,624 is being paid in six annual installments of \$74,020 including interest at 2.83%.

The following is a schedule of lease principal and interest payments for the duration of the contract leases:

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 255,711	\$ 11,021	\$ 266,732
2021	225,839	5,202	231,041
2022	129,212	2,040	131,252
2023	57,232	-	57,232
2024	57,232	-	57,232
Total	<u>\$ 725,226</u>	<u>\$ 18,263</u>	<u>\$ 497,773</u>

Equipment purchased with these leases totaled \$1,700,712. Accumulated depreciation on the equipment at September 30, 2019 was \$476,760.

## NOTE 11. LONG-TERM LIABILITIES

### Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Balance at 10/1/2018	Additions	Deletions	Balance at 9/30/2019	Due Within One Year
<b>Governmental Activities:</b>					
Capital Lease - Dominion Voting Systems	\$ 343,392	\$ -	\$ 57,232	\$ 286,160	\$ 57,232
Capital Lease - City National Capital Finance, Inc.	276,234	-	66,191	210,043	68,067
Capital Lease - Beard Equipment Company	355,861	-	126,838	229,023	130,412
<b>Other liabilities:</b>					
Compensated Absences payable	685,693	139,375	-	825,068	123,760
County's proportionate share of FRS pension liability	14,894,506	1,763,515	-	16,658,021	2,102,979
<b>Business-Type Activities</b>					
County's proportionate share of FRS pension liability	20,401	7,515	-	27,916	4,223
	<u>\$ 16,555,686</u>	<u>\$ 1,902,890</u>	<u>\$ 250,261</u>	<u>\$ 18,208,315</u>	<u>\$ 2,486,673</u>

## NOTE 12. RETIREMENT PLANS

### Florida Retirement System:

General Information - All of the County's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

[www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

## **Pension Plan**

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

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total

service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively, were as follows: Regular—8.26% and 8.47%; Special Risk Administrative Support—34.98% and 38.59%; Special Risk—24.50% and 25.48%; Senior Management Service—24.06% and 25.41%; Elected Officers—48.70% and 48.82%; and DROP participants—14.03% and 14.60%. These employer contribution rates include a 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively.

The County's contributions, including employee contributions, to the Pension Plan totaled \$1,446,571 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the County reported a liability of \$13,842,152 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The County's proportionate share of the net pension liability was based on the County's 2018-19 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2019, the County's proportionate share was .040193704 percent, which was a decrease of .000110199 percent from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$3,451,168. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 821,018	\$ (8,590)
Changes in assumptions	3,555,260	-
Net difference between projected and actual earnings on Pension Plan investments	-	(765,820)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	438,947	(492,905)
County Pension Plan contributions subsequent to the measurement date	338,132	-
<b>Total</b>	<b>\$ 5,153,357</b>	<b>\$ (1,267,315)</b>

The deferred outflows of resources related to the Pension Plan, totaling \$338,132 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	
2020	\$ 1,286,683
2021	388,153
2022	937,814
2023	707,452
2024	182,449
Thereafter	45,359
	<b>\$ 3,547,910</b>

Actuarial Assumptions – The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:



Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.2%
Fixed income	18.0%	4.1%	4.1%	3.5%
Global equity	54.0%	8.0%	6.8%	16.5%
Real estate	11.0%	6.7%	6.1%	11.7%
Private equity	10.0%	11.2%	8.4%	25.8%
Strategic investments.	6.0%	5.9%	5.7%	6.7%
<b>Total</b>	<b>100.0%</b>			
Assumed inflation - mean			2.6%	1.7%

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

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
County's proportionate share of the net pension liability	\$ 23,928,472	\$ 13,842,152	\$ 5,418,369

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

Payables to the Pension Plan - At September 30, 2019, the County reported a payable in the amount of \$20,056 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2019.

## **HIS Plan**

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

Benefits Provided – For the fiscal year ended September 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2019, the HIS contribution for the period October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019 was 1.66% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$163,811 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the County reported a liability of \$2,843,784 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of July 1, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The County's proportionate share of the net pension liability was based on the County's 2018-19 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2019, the County's proportionate share was .02542

percent, which was a decrease of .000008042 percent from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$218,407. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 34,541	\$ (3,482)
Changes in assumptions	329,283	(232,428)
Net difference between projected and actual earnings on HIS Plan investments	1,835	-
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	109,501	(139,012)
County HIS Plan contributions subsequent to the measurement date	36,939	-
<b>Total</b>	<b>\$ 512,099</b>	<b>\$ (374,922)</b>

The deferred outflows of resources related to the HIS Plan, totaling \$36,939 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	
2020	\$ 42,718
2021	34,188
2022	18,715
2023	(13,590)
2024	2,468
Thereafter	15,739
	<b>\$ 100,238</b>

Actuarial Assumptions – The total pension liability in the July 1, 2019, based upon an actuarial valuation on July 1, 2018, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.50 %

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial valuation was prepared as of July 1, 2018, and updated procedures were used to determine the liability as of June 30, 2019.

Discount Rate - The discount rate used to measure the total pension liability was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County’s proportionate share of the net pension liability calculated using the discount rate of 3.50%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.50%) or one percentage point higher (4.50%) than the current rate:

	<u>1% Decrease (2.50%)</u>	<u>Current Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
County's proportionate share of the net pension liability	\$ 3,246,326	\$ 2,843,784	\$ 2,508,513

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

Payables to the Pension Plan - At September 30, 2019, the County reported a payable in the amount of \$2,271 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2019.

## **Investment Plan**

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2018-19 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 11.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's had no pension expense for the Investment Plan for the fiscal year ended September 30, 2019.

**NOTE 13. FUND BALANCES GOVERNMENTAL FUNDS**

As of September 30, 2019, fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners(BCC). The BCC is the highest level of decision making authority for the County. Commitments may be established, modified, or rescinded only through resolutions approved by the BCC.

**Assigned** – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Board of County Commissioners.

**Unassigned** – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions. The County does not have a formal fund balance policy.

The following schedule shows the restricted and assigned fund balances at September 30, 2019.

	Restricted	Assigned
<b>General Fund:</b>		
State Aid to Libraries Reserve	\$ 37,651	\$ -
Mosquito Control Reserve	619	-
Emergency 911 Reserve	43,744	-
Sheriff's Designated Reserves	92,082	-
Traffic Surcharge Reserve	6,718	-
Court Related Reserves	-	235,393
Heritage Pavilion	-	10,616
911 Wireless Supplemental	153,906	-
911 Wireless /State	66,176	-
Sports Complex Donations Reserve	-	8,469
Sports Complex	-	35,319
Boat Ramp Reserve	-	277,642
Jail Maintenance Fund	-	135,516
Steinhatchee Donation Reserve	-	1,661
Traffic and SHIP Education	54,054	-
<b>Total</b>	<b>\$ 454,950</b>	<b>\$ 704,616</b>
<b>Special Revenue Funds:</b>		
Solid Waste Fund	\$ -	\$ 333,446
Municipal Services Taxing Unit	-	1,429,778
Road and Bridge Fund - Transportation	609,520	-
Small County Sales Surtax	-	2,573,491
Hospital Sales Tax Fund	-	-
Hospital related debt service and capital expenditures	-	477,162
<b>Total</b>	<b>\$ 609,520</b>	<b>\$ 4,813,877</b>
<b>Debt Service Fund:</b>		
Sales Tax Revenue Bonds	\$ -	\$ 141
<b>Capital Projects Funds:</b>		
Secondary Road projects	\$ 2,967,456	\$ -
<b>Other Governmental Funds:</b>		
	\$ 1,771,127	\$ 1,013,421
<b>Total</b>	<b>\$ 5,803,053</b>	<b>\$ 6,532,055</b>

#### **NOTE 14. CONTINGENT LIABILITIES**

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state and federal government. 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 amounts, if any, to be immaterial.

Litigation - The County is defendant in various pending or threatened litigation. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

**NOTE 15. USE OF ESTIMATES**

The preparation of financial statements in conformity with GAAP requires management to make use of estimates that affect reported amounts in the financial statements. Actual results could differ from estimates.

**NOTE 16. RISK MANAGEMENT**

The County participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the County's entity risk pool pays annual premiums to the pools for its insurance coverages. The agreements for formation of the pools provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specific amounts.

The County continues to carry commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Certain of the pooling agreements allow for the pools to make additional assessments to make the pools self-sustaining. It is not possible to estimate the amount of such additional assessments, which might have to be paid by the County.

**NOTE 17. CONSTRUCTION COMMITMENTS**

During the year, the County had in progress several construction projects including road improvements and facilities renovations. At year end, the significant portion of these related construction commitments were completed and existing funds had been earmarked for any incomplete projects.

**NOTE 18. JOINT VENTURES - AUCILLA AREA SOLID WASTE ADMINISTRATION**

The Aucilla Area Solid Waste Administration is a separate entity created by an interlocal agreement between the following counties in Florida:

<u>County</u>	<u>Share</u>
Dixie	16.7%
Jefferson	22.1%
Madison	28.1%
Taylor	33.1%

The shares for the counties were based on their respective population and solid waste management use. The governing board for this entity is made up of one representative from each County. Each County Commission appoints one of its members as its representative to the Board of Aucilla Area Solid Waste Administration. The Board is responsible for oversight and administration of this entity. The joint venture started solid waste disposal operations in December 1992.



The County's share in Aucilla Area Solid Waste Administration's assets, liabilities and equity as of September 30, 2019, is as follows:

<b>Assets</b>	<b>\$ 7,789,325</b>
<b>Deferred Outflows of Resources</b>	<b>31,665</b>
<b>Liabilities</b>	<b>(2,265,009)</b>
<b>Deferred Inflows of Resources</b>	<b>(7,960)</b>
<b>Net Position</b>	<b><u>\$ 5,548,021</u></b>

During the fiscal year, the County paid dumping fees of \$ 324,047 to Aucilla Area Solid Waste Administration and as of September 30, 2019, owed the landfill \$ 65,369. Financial information including separately issued financial statements concerning this joint venture can be obtained from the Aucilla Area Solid Waste Administration.

In order to equalize transportation costs in transporting waste to the Aucilla Area Solid Waste Administration landfill, participating counties agreed to reimburse Dixie County for its additional mileage. The interlocal agreement provides that Dixie County will be compensated from the time the landfill opened. The County's share of the reimbursement cost, according to the agreement, is not to exceed \$44,000 per year. These transportation costs are paid with landfill surcharge fees paid by the County residents and are reflected as a liability on the accompanying financial statements.

**NOTE 19. OTHER POST-EMPLOYMENT BENEFITS PLAN (OPEB)**

The County is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the County or the retiree. Participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the county younger and statistically healthier active employees. GASB Statement 45 requires governments to report this cost and related liability in its financial statements.

Due to the fact that no retirees participated in the plan during the year and that it is anticipated that this situation will continue in the future because most employees work until they are eligible for Medicare benefits, management had determined that the County’s OPEB obligation at year end would be of a de minimis amount. Management will monitor this situation in the future and take appropriate steps to properly comply with this GASB Statement.

**NOTE 20. FUND BALANCE DEFICIT**

The following fund had a fund balance deficit at year end:

<u>Fund</u>	<u>Deficit</u>
Community Development Block Grant	\$ (311)
Small County Road Assistance	(58,010)
Local Housing	(1,341)

The County will fund these deficits in the ensuing year by a transfer in of funds or revenues.

**NOTE 21. LEASES**

The County has various leases for office equipment with noncancellable terms. The following is a schedule of commitments under these leases:

<u>Fiscal Year Endings</u>			
2020		\$	22,014
2021			<u>1,060</u>
		\$	<u>23,074</u>

**NOTE 21. SUBSEQUENT EVENTS**

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) was characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the County. The occurrence and extent of such an impact will depend on future developments, including (i) the precautionary restrictions on travel or meetings, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

**NOTE 22. STATE LOCAL HOUSING ASSISTANCE PROGRAM**

The following schedule is a statement of SHIP Fund revenues and expenditures by program year.

	SHIP Program Year Ended									Total
	2009	2012	2013	2014	2015	2016	2017	2018	2019	
<b>REVENUES</b>										
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,200	\$ -	\$ -	\$ 350,000	\$ 391,200
Interest	17	23	38	29	15	45	377	33	371	948
Miscellaneous	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>17</b>	<b>23</b>	<b>38</b>	<b>29</b>	<b>15</b>	<b>41,245</b>	<b>377</b>	<b>33</b>	<b>350,371</b>	<b>392,148</b>
<b>EXPENDITURES</b>										
<b>Current Expenditures</b>										
Economic environment	-	-	-	-	-	29,125	89,038	291,154	271,438	680,755
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,125</b>	<b>89,038</b>	<b>291,154</b>	<b>271,438</b>	<b>680,755</b>
<b>Excess of revenues over (under) expenditures</b>	<b>17</b>	<b>23</b>	<b>38</b>	<b>29</b>	<b>15</b>	<b>12,120</b>	<b>(88,661)</b>	<b>(291,121)</b>	<b>78,933</b>	<b>(288,607)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Interfund transfers in	-	-	-	-	-	117,518	-	129,744	-	247,262
Interfund transfers out	-	-	-	-	-	(129,744)	-	(117,518)	-	(247,262)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,226)</b>	<b>-</b>	<b>12,226</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>17</b>	<b>23</b>	<b>38</b>	<b>29</b>	<b>15</b>	<b>(106)</b>	<b>(88,661)</b>	<b>(161,377)</b>	<b>78,933</b>	<b>(288,607)</b>
Fund balances beginning of year	-	-	-	-	-	106	487	286,673	-	287,266
<b>Fund balances end of year</b>	<b>\$ 17</b>	<b>\$ 23</b>	<b>\$ 38</b>	<b>\$ 29</b>	<b>\$ 15</b>	<b>\$ -</b>	<b>\$ (88,174)</b>	<b>\$ 125,296</b>	<b>\$ 78,933</b>	<b>\$ (1,341)</b>

**REQUIRED SUPPLEMENTARY INFORMATION**

**TAYLOR COUNTY, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	10,403,471	10,403,471	\$ 10,098,158	\$ (305,313)
Intergovernmental	5,120,548	5,730,622	4,920,192	(810,430)
Charges for services	284,950	284,950	327,491	42,541
Fines and forfeitures	12,000	12,000	15,614	3,614
Miscellaneous	52,788	394,969	107,374	(287,595)
Special assessments	124,672	126,672	142,681	16,009
Interest	50,000	50,000	150,091	100,091
<b>Total revenues</b>	<b>16,048,429</b>	<b>17,002,684</b>	<b>15,761,601</b>	<b>(1,241,083)</b>
<b>EXPENDITURES</b>				
<b>Current expenditures</b>				
General government	2,160,810	2,262,503	1,955,684	306,819
Public safety	1,440,523	2,242,707	1,089,164	1,153,543
Physical environment	560,871	580,245	222,691	357,554
Transportation	159,536	159,536	-	159,536
Economic environment	182,425	182,425	457,277	(274,852)
Human services	611,157	623,206	584,472	38,734
Culture / recreation	979,419	1,008,457	650,633	357,824
Court-related	486,375	488,930	161,215	327,715
<b>Capital outlay</b>				
General government	305,351	302,551	25,048	277,503
Public safety	1,047,078	1,377,678	514,977	862,701
Physical environment	65,000	65,000	13,900	51,100
Culture / recreation	534,679	578,141	72,040	506,101
<b>Debt service</b>				
Principal	57,232	57,232	57,232	-
<b>Total expenditures</b>	<b>8,590,456</b>	<b>9,928,611</b>	<b>5,804,333</b>	<b>4,124,278</b>
<b>Excess of revenues over expenditures</b>	<b>7,457,973</b>	<b>7,074,073</b>	<b>9,957,268</b>	<b>2,883,195</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of fixed assets	-	-	317,940	317,940
Interfund transfers in	305,507	403,855	271,723	(132,132)
Interfund transfers out	(13,977,456)	(14,109,320)	(9,070,859)	5,038,461
<b>Total other financing sources (uses)</b>	<b>(13,671,949)</b>	<b>(13,705,465)</b>	<b>(8,481,196)</b>	<b>5,224,269</b>
<b>Net change in fund balance</b>	<b>(6,213,976)</b>	<b>(6,631,392)</b>	<b>1,476,072</b>	<b>8,107,464</b>
<b>Fund balance at beginning of year</b>	<b>9,085,345</b>	<b>9,085,345</b>	<b>9,085,345</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 2,871,369</b>	<b>\$ 2,453,953</b>	<b>\$ 10,561,417</b>	<b>\$ 8,107,464</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
ROAD AND BRIDGE FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 819,000	\$ 819,000	\$ 838,475	\$ 19,475
Licenses and permits	200	200	200	-
Intergovernmental	817,000	817,000	847,583	30,583
Miscellaneous	10,000	10,000	16,315	6,315
Interest	2,000	2,000	5,625	3,625
<b>Total revenues</b>	<b>1,648,200</b>	<b>1,648,200</b>	<b>1,708,198</b>	<b>59,998</b>
<b>EXPENDITURES</b>				
<b>Current expenditures</b>				
General government	-	-	2,260	(2,260)
Physical Environment	46,804	46,804	39,228	7,576
Transportation	2,186,234	2,320,870	2,327,290	(6,420)
<b>Capital outlay</b>				
Transportation	311,925	133,289	75,564	57,725
<b>Debt service</b>				
Principal	-	144,000	126,838	17,162
Interest	-	-	7,249	(7,249)
<b>Total expenditures</b>	<b>2,544,963</b>	<b>2,644,963</b>	<b>2,578,429</b>	<b>66,534</b>
<b>Excess of revenues over expenditures</b>	<b>(896,763)</b>	<b>(996,763)</b>	<b>(870,231)</b>	<b>126,532</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund transfers in	932,270	1,032,270	1,007,436	(24,834)
Interfund transfers out	(35,507)	(35,507)	(23,220)	12,287
<b>Total other financing sources (uses)</b>	<b>896,763</b>	<b>996,763</b>	<b>984,216</b>	<b>(12,547)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>113,985</b>	<b>113,985</b>
<b>Fund balance at beginning of year</b>	<b>724,744</b>	<b>724,744</b>	<b>724,744</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 724,744</b>	<b>\$ 724,744</b>	<b>\$ 838,729</b>	<b>\$ 113,985</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
MUNICIPAL SERVICES FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,366,507	\$ 1,366,507	\$ 1,328,114	\$ (38,393)
Licenses and permits	162,300	162,300	179,343	17,043
Intergovernmental	60,350	232,644	129,607	(103,037)
Charges for services	4,150	4,150	2,020	(2,130)
Miscellaneous	2,000	36,300	34,598	(1,702)
Interest	4,000	4,000	16,010	12,010
<b>Total revenues</b>	<b>1,599,307</b>	<b>1,805,901</b>	<b>1,689,692</b>	<b>(116,209)</b>
<b>EXPENDITURES</b>				
<b>Current expenditures</b>				
General government	216,755	252,755	227,569	25,186
Public safety	1,216,333	1,523,635	1,227,349	296,286
Human services	184,864	196,796	188,591	8,205
<b>Capital outlay</b>				
General government	1,500	1,500	-	1,500
Public safety	-	13,349	13,019	330
<b>Debt service</b>				
Principal	74,020	74,020	66,191	7,829
Interest	-	-	7,828	(7,828)
<b>Total expenditures</b>	<b>1,693,472</b>	<b>2,062,055</b>	<b>1,730,547</b>	<b>331,508</b>
<b>Excess of revenues over expenditures</b>	<b>(94,165)</b>	<b>(256,154)</b>	<b>(40,855)</b>	<b>215,299</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund transfers in	(120,520)	(120,520)	111,157	231,677
Interfund transfers out	(61,412)	(61,412)	(64,174)	(2,762)
<b>Total other financing sources (uses)</b>	<b>(181,932)</b>	<b>(181,932)</b>	<b>46,983</b>	<b>228,915</b>
<b>Net change in fund balance</b>	<b>(276,097)</b>	<b>(438,086)</b>	<b>6,128</b>	<b>444,214</b>
<b>Fund balance at beginning of year</b>	<b>1,423,650</b>	<b>1,423,650</b>	<b>1,423,650</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 1,147,553</b>	<b>\$ 985,564</b>	<b>\$ 1,429,778</b>	<b>\$ 444,214</b>

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

HOSPITAL SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Interest	-	-	1,121	1,121
Total revenues	-	-	1,121	1,121
<b>EXPENDITURES</b>				
Current expenditures				
General government	95,666	95,666	63,011	32,655
Total expenditures	95,666	95,666	63,011	32,655
Excess of revenues over expenditures	(95,666)	(95,666)	(61,890)	33,776
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund transfers in	95,666	95,666	95,666	-
Total other financing sources (uses)	95,666	95,666	95,666	-
Net change in fund balance	-	-	33,776	33,776
Fund balance at beginning of year	443,386	443,386	443,386	-
Fund balance at end of year	\$ 443,386	\$ 443,386	\$ 477,162	\$ 33,776

See notes to financial statements.



**TAYLOR COUNTY, FLORIDA**

**SMALL COUNTY SALES SURTAX FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	1,514,000	1,514,000	\$ 1,853,400	\$ 339,400
Interest	-	-	3,502	3,502
<b>Total revenues</b>	<u>1,514,000</u>	<u>1,514,000</u>	<u>1,856,902</u>	<u>342,902</u>
<b>EXPENDITURES</b>				
Current expenditures				
Public safety	-	511,532	319,057	192,475
<b>Total expenditures</b>	<u>-</u>	<u>511,532</u>	<u>319,057</u>	<u>192,475</u>
Excess of revenues over expenditures	<u>1,514,000</u>	<u>1,002,468</u>	<u>1,537,845</u>	<u>535,377</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund transfers out	<u>(592,945)</u>	<u>(592,945)</u>	<u>(334,120)</u>	<u>258,825</u>
<b>Total other financing sources (uses)</b>	<u>(592,945)</u>	<u>(592,945)</u>	<u>(334,120)</u>	<u>258,825</u>
<b>Net change in fund balance</b>	<u>921,055</u>	<u>409,523</u>	<u>1,203,725</u>	<u>794,202</u>
Fund balance at beginning of year	1,369,766	1,369,766	1,369,766	-
<b>Fund balance at end of year</b>	<u>\$ 2,290,821</u>	<u>\$ 1,779,289</u>	<u>\$ 2,573,491</u>	<u>\$ 794,202</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
SOLID WASTE FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 15,500	\$ 15,500	\$ 17,281	\$ 1,781
Intergovernmental	25,758	25,758	12,010	(13,748)
Miscellaneous	112,000	112,000	112,411	411
Special assessments	1,078,000	1,078,000	1,047,967	(30,033)
Interest	1,200	1,200	3,338	2,138
<b>Total revenues</b>	<u>1,232,458</u>	<u>1,232,458</u>	<u>1,193,007</u>	<u>(39,451)</u>
<b>EXPENDITURES</b>				
Current expenditures				
Physical environment	1,685,138	1,745,138	1,187,198	557,940
Capital outly				
Physical environment	113,000	113,000	56,321	56,679
<b>Total expenditures</b>	<u>1,798,138</u>	<u>1,858,138</u>	<u>1,243,519</u>	<u>614,619</u>
Excess of revenues over expenditures	<u>(565,680)</u>	<u>(625,680)</u>	<u>(50,512)</u>	<u>575,168</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund transfers in	310,000	310,000	64,496	(245,504)
Interfund transfers out	<u>(91,170)</u>	<u>(91,170)</u>	<u>(91,170)</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>218,830</u>	<u>218,830</u>	<u>(26,674)</u>	<u>(245,504)</u>
<b>Net change in fund balance</b>	<u>(346,850)</u>	<u>(406,850)</u>	<u>(77,186)</u>	<u>329,664</u>
Fund balance at beginning of year	410,632	410,632	410,632	-
<b>Fund balance at end of year</b>	<u>\$ 63,782</u>	<u>\$ 3,782</u>	<u>\$ 333,446</u>	<u>\$ 329,664</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
OPERATING FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL**

**For the Fiscal Year Ended September 30, 2019**

	Operating Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Intergovernmental			\$ 78,338	\$ 78,338
Charges for services	-	-	148,917	148,917
Miscellaneous	-	-	3,474	3,474
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>230,729</u>	<u>230,729</u>
<b>EXPENDITURES</b>				
<b>Public Safety</b>				
Law enforcement				
Personnel services	3,753,480	3,753,480	3,709,507	43,973
Operating expenses	528,754	528,754	682,744	(153,990)
Capital outlay	-	-	87,696	(87,696)
<b>Total law enforcement</b>	<u>4,282,234</u>	<u>4,282,234</u>	<u>4,479,947</u>	<u>(197,713)</u>
Detention and correction				
Personnel services	2,041,294	2,041,294	1,811,462	229,832
Operating expenses	516,526	516,526	528,214	(11,688)
<b>Total detention and correction</b>	<u>2,557,820</u>	<u>2,557,820</u>	<u>2,339,676</u>	<u>218,144</u>
<b>Total expenditures</b>	<u>6,840,054</u>	<u>6,840,054</u>	<u>6,819,623</u>	<u>20,431</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(6,840,054)</u>	<u>(6,840,054)</u>	<u>(6,588,894)</u>	<u>251,160</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from other funds	6,840,054	6,840,054	6,594,894	(245,160)
Transfers to other funds	-	-	(6,000)	(6,000)
<b>Total other financing sources</b>	<u>6,840,054</u>	<u>6,840,054</u>	<u>6,588,894</u>	<u>(251,160)</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements

**TAYLOR COUNTY, FLORIDA**

**TAX COLLECTOR  
OPERATING FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	Operating Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Charges for services	\$ 740,846	\$ 740,846	835,870	\$ 95,024
Miscellaneous	-	-	1,915	1,915
<b>Total revenues</b>	<b>740,846</b>	<b>740,846</b>	<b>837,785</b>	<b>96,939</b>
<b>EXPENDITURES</b>				
General government				
Current expenditures	1,043,362	1,043,362	1,042,085	1,277
Capital outlay	2,255	2,255	2,995	(740)
<b>Total expenditures</b>	<b>1,045,617</b>	<b>1,045,617</b>	<b>1,045,080</b>	<b>537</b>
Excess of revenues over (under) expenditures	(304,771)	(304,771)	(207,295)	97,476
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Board of County Commissioners				
Transfers to the Board of County Commissioners	304,771	304,771	304,771	-
Transfers to the Board of County Commissioners	-	-	(97,476)	(97,476)
<b>Total other financing sources (uses)</b>	<b>304,771</b>	<b>304,771</b>	<b>207,295</b>	<b>(97,476)</b>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
<b>Fund balance at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to financial statements

TAYLOR COUNTY, FLORIDA

HOSPITAL DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance at beginning of year	\$ 141	\$ 141	\$ 141	\$ -
Fund balance at end of year	<u>\$ 141</u>	<u>\$ 141</u>	<u>\$ 141</u>	<u>\$ -</u>

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

SECONDARY ROAD PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 989,000	\$ 989,000	\$ 1,030,403	\$ 41,403
Interest	-	-	61,609	61,609
<b>Total revenues</b>	<b>989,000</b>	<b>989,000</b>	<b>1,092,012</b>	<b>103,012</b>
<b>EXPENDITURES</b>				
Transportation				
Current expenditures	63,434	79,198	62,891	16,307
Capital outlay	3,013,295	2,898,233	-	2,898,233
<b>Total expenditures</b>	<b>3,076,729</b>	<b>2,977,431</b>	<b>62,891</b>	<b>2,914,540</b>
Excess of revenues over expenditures	(2,087,729)	(1,988,431)	1,029,121	3,017,552
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund transfers in	(20,292)	(20,292)	-	20,292
Interfund transfers out	(594,029)	(694,029)	(780,693)	(86,664)
<b>Total other financing sources (uses)</b>	<b>(614,321)</b>	<b>(714,321)</b>	<b>(780,693)</b>	<b>(66,372)</b>
Net change in fund balance	(2,702,050)	(2,702,752)	248,428	2,951,180
Fund balance at beginning of year	2,719,028	2,719,028	2,719,028	-
<b>Fund balance at end of year</b>	<b>\$ 16,978</b>	<b>\$ 16,276</b>	<b>\$ 2,967,456</b>	<b>\$ 2,951,180</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**FLORIDA RETIREMENT SYSTEM**

**LAST SIX FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability						
Retirement	0.0402%	0.0403%	0.0419%	0.0425%	0.0397%	.0387%
Health insurance subsidy	0.0254%	0.0262%	0.0528%	0.0261%	0.0254%	.0248%
County's proportionate share of the net pension liability						
Retirement	\$ 13,842,152	\$ 12,139,745	\$ 12,379,213	\$ 10,720,397	\$ 5,131,091	\$ 2,322,814
Health insurance subsidy	2,843,784	2,775,161	2,823,688	3,043,175	2,585,580	2,320,521
Total	<u>\$ 16,685,936</u>	<u>\$ 14,914,906</u>	<u>\$ 15,202,901</u>	<u>\$ 13,763,572</u>	<u>\$ 7,716,671</u>	<u>\$ 4,643,335</u>
County's covered payroll	\$ 9,440,679	\$ 8,776,479	\$ 8,694,243	\$ 8,413,619	\$ 8,093,506	\$ 7,749,485
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	176.75%	169.94%	174.86%	163.59%	95.34%	59.92%
Plan fiduciary net position as a percentage of the total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

GASB 68 requires information for 10 years. Until a full 10 year trend has been compiled, only those years for which information is available has been presented.

**TAYLOR COUNTY, FLORIDA**  
**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS**  
**FLORIDA RETIREMENT SYSTEM**  
**LAST SIX FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Contractually required contributions</b>						
Pension plan	\$ 1,446,571	\$ 1,289,477	\$ 1,202,635	\$ 1,165,852	\$ 1,093,298	\$ 979,174
Health insurance subsidy	163,811	159,628	154,275	133,838	177,844	99,829
	<u>\$ 1,610,382</u>	<u>\$ 1,449,105</u>	<u>\$ 1,356,910</u>	<u>\$ 1,299,690</u>	<u>\$ 1,271,142</u>	<u>\$ 1,079,003</u>
<b>Contributions in relation to the contractually required contributions</b>	\$ 1,610,382	\$ 1,449,105	\$ 1,356,910	\$ 1,299,690	\$ 1,271,142	\$ 1,079,003
<b>Contribution deficiency</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>County's covered employee payroll</b>	\$ 9,440,679	\$ 8,776,479	\$ 8,694,243	\$ 8,413,619	\$ 8,093,506	\$ 7,749,584
<b>Contributions as a percentage of covered employee payroll</b>	17.06%	16.51%	15.61%	15.45%	15.71%	13.92%

GASB 68 requires information for 10 years. Until a full 10 year trend has been compiled, only those years for which information is available has been presented.



## TAYLOR COUNTY, FLORIDA

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Fiscal Year Ended September 30, 2019

#### A. Budgetary Information:

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

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

1. Prior to September 30, the Clerk of the Circuit Court, serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing the following October. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in chapter 129 of Florida Statutes.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.
6. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund, or appropriate for special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2019, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budget is adopted on the accrual basis except that depreciation is not budgeted.
9. Legal control of the budget is exercised pursuant to applicable provisions of Florida Statutes.
10. Appropriations for the County lapse at the close of the fiscal year.

**TAYLOR COUNTY, FLORIDA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**For the Fiscal Year Ended September 30, 2019**

**B. Pension Plan:**

**Net Pension Liability**

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2019, are shown below (in thousands):

	FRS	HIS
<b>Total Pension Liability</b>	<b>\$ 198,012,334</b>	<b>\$ 11,491,044</b>
<b>Plan Fiduciary Net Position</b>	<b>(163,573,726)</b>	<b>(302,045)</b>
<b>Net Pension Liability</b>	<b>\$ 34,438,608</b>	<b>\$ 11,188,999</b>

<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>82.61%</b>	<b>2.63%</b>
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The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated June 30, 2019. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS actuarial valuation was prepared as of July 1, 2018 and updated procedures were used to determine liabilities as of June 30, 2019. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

**Basis for Allocation**

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2013 through 2019 respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years June 30, 2015 through 2019, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that

fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

### **Actuarial Methods and Assumptions**

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 is performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013 through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.60%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. The discount rate used for the FRS Pension Plan is 6.90%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.50% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the Generational RP-2000 with Projection Scale BB tables (refer to the valuation reports for more information – See Additional Financial and Actuarial Information).

The following changes in actuarial assumptions occurred in 2019:

- FRS: The long-term expected rate of return decreased from 7.00% in 2018 to 6.90% for 2019, and the mortality assumption was changed from the Generational RP-2000 with Projection Scale BB tables to the PUB-2010 base table, projected generationally with Scale MP-2018.
- HIS: The municipal bonds rate used to determine total pension liability was decreased from 3.87% to 3.50%.

## **COMBINING STATEMENTS**

**TAYLOR COUNTY, FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2019**

	Special Revenue Funds													Supervisor of Elections
	Clerk of the Circuit Court					Property Appraiser			Sheriff				Special Law Enforcement Trust	
	Clerk Operating	Clerk Court	Clerk CSE Incentive	Clerk CSE Reimbursement	Public Records Modernization	Teen Court	Operating	Drug Task Force Grant	Inmate Welfare	Emergency Management	Local Law Enforcement Block Grant	Nongrant Forfeiture		
<b>ASSETS</b>														
Current assets														
Cash	\$ 51,092	\$ 8,321	\$ 17,132	\$ 195,694	\$ 110,127	\$ 42,410	\$ 1,467	\$ 33	\$ 1,812	\$ 4,587	\$ 3,039	3,670	\$ 5,659	\$ 40,902
Accounts receivable	-	6,466	-	14,959	-	-	-	-	8,797	-	-	-	-	54
Due from other funds	-	-	-	-	112,122	-	5,337	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	2,165	-	37,414	-	645	-	-
Investments	-	-	-	399,432	-	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	6,000	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 51,092</b>	<b>\$ 14,787</b>	<b>\$ 17,132</b>	<b>\$ 610,085</b>	<b>\$ 222,249</b>	<b>\$ 42,410</b>	<b>\$ 12,804</b>	<b>\$ 2,198</b>	<b>\$ 10,609</b>	<b>\$ 42,001</b>	<b>\$ 3,039</b>	<b>\$ 4,315</b>	<b>\$ 5,659</b>	<b>\$ 40,956</b>
<b>LIABILITIES AND FUND BALANCES</b>														
<b>LIABILITIES</b>														
Current liabilities														
Accounts payable	\$ 44,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	6,212	-	-	-	-	-	1,467	-	-	-	-	-	-	26,319
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued wages	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	-	-	-	-	14,637
Other current liabilities	200	-	-	-	-	-	11,337	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>51,092</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,804</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,956</b>
<b>FUND BALANCES</b>														
Restricted	-	-	-	-	222,249	42,410	-	2,198	10,609	42,001	3,039	4,315	5,659	-
Assigned	-	14,787	17,132	610,085	-	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>14,787</b>	<b>17,132</b>	<b>610,085</b>	<b>222,249</b>	<b>42,410</b>	<b>-</b>	<b>2,198</b>	<b>10,609</b>	<b>42,001</b>	<b>3,039</b>	<b>4,315</b>	<b>5,659</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 51,092</b>	<b>\$ 14,787</b>	<b>\$ 17,132</b>	<b>\$ 610,085</b>	<b>\$ 222,249</b>	<b>\$ 42,410</b>	<b>\$ 12,804</b>	<b>\$ 2,198</b>	<b>\$ 10,609</b>	<b>\$ 42,001</b>	<b>\$ 3,039</b>	<b>\$ 4,315</b>	<b>\$ 5,659</b>	<b>\$ 40,956</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
September 30, 2019**

	Special Revenue Funds								Capital Projects Funds					Total Nonmajor governmental Funds
	Board of County Commissioners													
	Community Development Block Grant	Airport	Local Housing	MSBU	Tourist Development Trust	Landfill	Florida Boating Improvement	Tourism Tax Infra- structure	Tourism Tax 4th and 5th Cent	Small County Road Assistance	Small County Courthouse	Small County Outreach	FDOT Economic Development	
<b>ASSETS</b>														
Cash	\$ -	\$ -	\$ 269,643	\$ 257,759	\$ 398,565	\$ 604,508	\$ 14,928	\$ 322,581	\$ 265,787	\$ -	\$ 638	\$ 599	\$ 35,353	\$ 2,656,306
Accounts receivable	-	2,159	-	-	-	3,375	-	-	41,025	-	-	-	-	76,835
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	117,459
Due from other governmental units	70,650	277,929	-	-	41,025	-	4,344	20,513	-	24,088	-	-	-	478,773
Investments	-	-	16,226	-	-	3,945	-	-	-	-	-	-	-	419,603
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	6,000
<b>Total assets</b>	<b>\$ 70,650</b>	<b>\$ 280,088</b>	<b>\$ 285,869</b>	<b>\$ 257,759</b>	<b>\$ 439,590</b>	<b>\$ 611,828</b>	<b>\$ 19,272</b>	<b>\$ 343,094</b>	<b>\$ 306,812</b>	<b>\$ 24,088</b>	<b>\$ 638</b>	<b>\$ 599</b>	<b>\$ 35,353</b>	<b>\$ 3,754,976</b>
<b>LIABILITIES AND FUND BALANCES</b>														
<b>LIABILITIES</b>														
<b>Current liabilities</b>														
Accounts payable	\$ -	\$ 2,508	\$ 31,711	\$ 234	\$ 37,904	\$ 1,616	\$ 2,375	\$ -	\$ -	\$ 10,610	\$ -	\$ 594	\$ -	\$ 132,232
Due to other funds	70,961	121,034	-	42,100	-	-	-	78,430	137,479	71,488	-	-	-	555,490
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued wages	-	554	526	-	-	479	-	-	-	-	-	-	-	1,559
Revenues collected in advance	-	-	254,973	-	-	-	-	-	-	-	-	-	-	269,610
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	11,537
<b>Total liabilities</b>	<b>70,961</b>	<b>124,096</b>	<b>287,210</b>	<b>42,334</b>	<b>37,904</b>	<b>2,095</b>	<b>2,375</b>	<b>78,430</b>	<b>137,479</b>	<b>82,098</b>	<b>-</b>	<b>594</b>	<b>-</b>	<b>970,428</b>
<b>FUND BALANCES</b>														
Restricted	(311)	-	(1,341)	-	401,686	609,733	16,897	264,664	169,333	(58,010)	638	5	35,353	1,771,127
Assigned	-	155,992	-	215,425	-	-	-	-	-	-	-	-	-	1,013,421
<b>Total fund balances</b>	<b>(311)</b>	<b>155,992</b>	<b>(1,341)</b>	<b>215,425</b>	<b>401,686</b>	<b>609,733</b>	<b>16,897</b>	<b>264,664</b>	<b>169,333</b>	<b>(58,010)</b>	<b>638</b>	<b>5</b>	<b>35,353</b>	<b>2,784,548</b>
<b>Total liabilities and fund balances</b>	<b>\$ 70,650</b>	<b>\$ 280,088</b>	<b>\$ 285,869</b>	<b>\$ 257,759</b>	<b>\$ 439,590</b>	<b>\$ 611,828</b>	<b>\$ 19,272</b>	<b>\$ 343,094</b>	<b>\$ 306,812</b>	<b>\$ 24,088</b>	<b>\$ 638</b>	<b>\$ 599</b>	<b>\$ 35,353</b>	<b>\$ 3,754,976</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES**

**For the Fiscal Year Ended September 30, 2019**

	Special Revenue Funds												Supervisor of Elections	
	Clerk of the Circuit Court						Property Appraiser		Sheriff					Special Law Enforcement Trust
	Clerk of Courts Operating	Clerk Court	Clerk CSE Incentive	Clerk CSE Reimbursement	Public Records Modernization	Teen Court	Operating	Drug Task Force Grant	Inmate Welfare	Emergency Management	Local Law Enforcement Block Grant	Nongrant Forfeiture		
<b>REVENUES</b>														
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Intergovernmental revenue	-	53,635	-	75,616	-	-	-	-	153,258	-	-	-	62,037	
Charges for services	151,919	273,999	-	-	21,937	6,542	-	68,873	-	-	250	-	-	
Fines and forfeitures	-	165,616	-	-	-	-	-	-	-	-	-	43	-	
Miscellaneous	668	-	64	10,032	7,826	145	-	811	-	-	-	-	5,648	
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	-	-	-	-	25	
<b>Total revenues</b>	<b>152,587</b>	<b>493,250</b>	<b>64</b>	<b>85,648</b>	<b>29,763</b>	<b>6,687</b>	<b>-</b>	<b>69,684</b>	<b>153,258</b>	<b>-</b>	<b>250</b>	<b>43</b>	<b>67,710</b>	
<b>EXPENDITURES</b>														
Current Expenditures														
General government	1,080,322	-	-	-	-	-	765,851	-	-	-	-	-	591,741	
Public safety	-	-	-	-	-	-	-	10,245	112,970	40,677	-	-	-	
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	-	
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	
Court-related	-	590,944	-	87,852	-	-	-	-	-	-	-	-	-	
Capital outlay														
General government	6,803	-	-	-	-	-	1,299	-	-	-	-	-	69,019	
Public safety	-	-	-	-	-	-	-	-	12,623	11,960	-	-	-	
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	-	
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	
Court-related	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt service														
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total expenditures</b>	<b>1,087,125</b>	<b>590,944</b>	<b>-</b>	<b>87,852</b>	<b>-</b>	<b>-</b>	<b>767,150</b>	<b>10,245</b>	<b>125,593</b>	<b>52,637</b>	<b>-</b>	<b>-</b>	<b>660,760</b>	
Excess of revenues over (under) expenditures	(934,538)	(97,694)	64	(2,204)	29,763	6,687	(767,150)	(10,245)	(55,909)	100,621	-	250	43	(593,050)
<b>OTHER FINANCING SOURCES (USES)</b>														
Interfund transfers in	934,537	-	-	-	-	-	767,150	6,000	-	37,545	-	-	-	619,369
Interfund transfers out	-	-	-	-	-	-	-	-	-	(103,456)	-	-	-	(26,319)
<b>Total other financing sources (uses)</b>	<b>934,537</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>767,150</b>	<b>6,000</b>	<b>-</b>	<b>(65,911)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593,050</b>
Net change in fund balances	-	(97,694)	64	(2,204)	29,763	6,687	-	(4,245)	(55,909)	34,710	-	250	43	-
Fund balances beginning of year	-	112,481	17,068	612,289	192,486	35,723	-	6,443	66,518	7,291	3,039	4,065	5,616	-
Fund balances end of year	\$ -	\$ 14,787	\$ 17,132	\$ 610,085	\$ 222,249	\$ 42,410	\$ -	\$ 2,198	\$ 10,609	\$ 42,001	\$ 3,039	\$ 4,315	\$ 5,659	\$ -

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES  
For the Fiscal Year Ended September 30, 2019**

Special Revenue Funds

Capital Projects Funds

Board of County Commissioners

	Community Development Block Grant	Airport	Local Housing	MSBU	Tourist Development Trust	Landfill	Florida Boating Improvement	Tourism Tax Infrastructure	Tourism Tax 4th and 5th Cent	Small County Road Assistance	Small County Courthouse	Small County Outreach	FDOT Economic Development	Total Nonmajor Governmental Funds
<b>REVENUES</b>														
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 220,542	\$ -	\$ -	\$ 110,271	\$ 220,542	\$ -	\$ -	\$ -	\$ -	\$ 551,355
Intergovernmental revenue	541,586	652,963	391,200	-	-	-	-	-	-	150,688	-	37	-	2,081,020
Charges for services	-	64,244	-	54	-	143,480	17,754	-	-	-	-	-	-	749,052
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-	-	165,659
Miscellaneous	-	77,124	-	-	-	-	-	-	-	-	-	-	-	102,318
Special assessments	-	-	-	48,886	-	-	-	-	-	-	-	-	-	48,886
Interest	-	123	948	6,030	720	-	100	552	290	-	1	-	-	8,789
<b>Total revenues</b>	<b>541,586</b>	<b>794,454</b>	<b>392,148</b>	<b>54,970</b>	<b>221,262</b>	<b>143,480</b>	<b>17,854</b>	<b>110,823</b>	<b>220,832</b>	<b>150,688</b>	<b>1</b>	<b>37</b>	<b>-</b>	<b>3,707,079</b>
<b>EXPENDITURES</b>														
<b>Current Expenditures</b>														
General government	-	-	-	-	-	-	-	-	-	-	-	-	-	2,437,914
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-	163,892
Physical environment	-	-	-	-	-	35,539	-	-	-	-	-	-	-	35,539
Transportation	-	82,678	-	17,345	-	-	-	-	-	-	-	274	1,213	101,510
Economic environment	490,966	-	680,755	-	143,084	-	-	1,748	-	-	-	-	-	1,316,553
Culture/recreation	-	-	-	-	-	-	41,267	-	-	-	-	-	-	41,267
Court-related	-	-	-	-	-	-	-	-	-	-	-	-	-	678,796
<b>Capital outlay</b>														
General government	-	-	-	-	-	-	-	-	-	-	-	-	-	77,121
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-	24,583
Physical environment	-	-	-	-	-	15,485	-	-	-	161,298	-	-	-	176,783
Transportation	-	652,963	-	-	-	-	-	-	-	-	-	-	-	652,963
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Court-related	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service														
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>490,966</b>	<b>735,641</b>	<b>680,755</b>	<b>17,345</b>	<b>143,084</b>	<b>51,024</b>	<b>41,267</b>	<b>1,748</b>	<b>-</b>	<b>161,298</b>	<b>-</b>	<b>274</b>	<b>1,213</b>	<b>5,706,921</b>
<b>Excess of revenues over (under) expenditures</b>	<b>50,620</b>	<b>58,813</b>	<b>(288,607)</b>	<b>37,625</b>	<b>78,178</b>	<b>92,456</b>	<b>(23,413)</b>	<b>109,075</b>	<b>220,832</b>	<b>(10,610)</b>	<b>1</b>	<b>237</b>	<b>1,213</b>	<b>(1,999,842)</b>
<b>OTHER FINANCING SOURCES (USES)</b>														
Interfund transfers in	-	-	247,262	-	-	-	-	-	-	-	-	-	-	2,611,863
Interfund transfers out	-	-	(247,262)	(1,350)	-	-	-	(78,430)	(137,479)	-	-	-	-	(594,296)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,350)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(78,430)</b>	<b>(137,479)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,017,567</b>
<b>Net change in fund balances</b>	<b>50,620</b>	<b>58,813</b>	<b>(288,607)</b>	<b>36,275</b>	<b>78,178</b>	<b>92,456</b>	<b>(23,413)</b>	<b>30,645</b>	<b>83,353</b>	<b>(10,610)</b>	<b>1</b>	<b>(237)</b>	<b>(1,213)</b>	<b>17,725</b>
Fund balances beginning of year	(50,931)	97,179	287,266	179,150	323,508	517,277	40,310	234,019	85,980	(47,400)	637	242	36,566	2,766,823
Fund balances end of year	\$ (311)	\$ 155,992	\$ (1,341)	\$ 215,425	\$ 401,686	\$ 609,733	\$ 16,897	\$ 264,664	\$ 169,333	\$ (58,010)	\$ 638	\$ 5	\$ 35,353	\$ 2,784,548

See notes to financial statements.



## COMPLIANCE SECTION

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

**To the Board of County Commissioners  
and Constitutional Officers  
Taylor 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 Taylor County, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise Taylor County, Florida's basic financial statements, and have issued our report thereon dated May 12, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Taylor County, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Taylor County, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of Taylor County, Florida's internal control.

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

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

**Compliance and Other Matters**

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

## **Purpose of this Report**

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

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

## **POWELL & JONES**

Certified Public Accountants

May 12, 2020

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

To the Board of County Commissioners  
of Taylor County, Florida

**Report on Compliance for Each Major Federal Program**

We have audited the Taylor County, Florida's compliance with the types of compliance requirements described in the *OMB Uniform Guidance* that could have a direct and material effect on each of the Taylor County, Florida's major federal programs for the year ended September 30, 2019. Taylor County, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Taylor County, Florida's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance)*. Those standards, and the *OMB Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Taylor County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program***

In our opinion, Taylor County, Florida, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

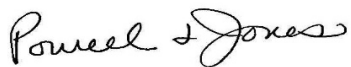
## Report on Internal Control Over Compliance

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

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

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

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



**POWELL & JONES**  
Certified Public Accountants  
Lake City, Florida  
May 12, 2020

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

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

**Report on Compliance for Each Major State Project**

We have audited the compliance of Taylor County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2019. Taylor County, Florida's major State project is identified in the summary of auditors' results section of the accompanying Schedule of Findings.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on Taylor County, Florida's compliance for each major State Project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Those standards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about Taylor County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major State Project**

In our opinion, Taylor County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State project for the fiscal year ended September 30, 2019.

**Other Matters**

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

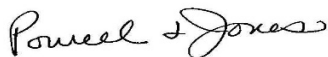
## Internal Control Over Compliance

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

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

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

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



**POWELL & JONES, CPAs**

**May 12, 2020**

**TAYLOR COUNTY FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**For The Fiscal Year Ended September 30, 2019**

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	Reserved Deferred Revenues 9/30/2019
<b>FEDERAL AWARDS</b>								
<b>US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>								
Community Development Block Grant	14.228	18DB-OM-03-72-01-H 02	\$ 750,000	\$ 50,450	\$ -	\$ 541,586	\$ 541,586	\$ -
<b>US DEPARTMENT OF JUSTICE</b>								
Edward Byrne Memorial Justice Assistance Grant	16.738	TAYL 1-N2-052	14,241	-	-	14,241	14,241	-
Passed through the Florida Office of Attorney General Victims of Crime Act (VOCA)	16.575	VOCA-2018-Taylor County Sheriff's D-00094	129,866	-	-	28,095	28,095	-
<b>US DEPARTMENT OF INTERIOR</b>								
<b>passed through Florida Department of Agriculture &amp; Consumer Services/Division of Forestry</b>								
Title IV-D Volunteer Fire Assistance Grant	15.228	FY2019VFA	5,211	-	-	5,211	5,211	-
<b>US DEPARTMENT OF TRANSPORTATION</b>								
<b>Passed through Florida Department of Transportation</b>								
Speeding and Aggressive Driving Program	20.600	G1450	27,000	-	-	21,507	21,507	-
Impaired Driver Program	20.616	G1499	31,000	-	-	14,495	14,495	-
			58,000	-	-	36,002	36,002	-
<b>US ELECTIONS ASSISTANCE COMMISSION</b>								
<b>Passed through Florida Department of State</b>								
Help America Vote Act	90.401	MOA-#2017-2018-001-TAY	5,594	-	-	5,594	5,594	-
Help America Vote Act - Security Grants	90.401	MOA-#2018-2019-001-TAY	50,323	-	-	50,323	50,323	-
Albert Network Monitoring Solution Grant	90.401	MOA-#2018-2019-002-TAY	6,120	-	-	6,120	6,120	-
Voting Systems Assistance Grant 17-18	90.401	2017-2018	15,488	-	-	15,488	15,488	-
			77,525	-	-	77,525	77,525	-
<b>FEDERAL OFFICE OF CHILD SUPPORT ENFORCEMENT</b>								
<b>Passed through the Florida Department of Revenue</b>								
Title IV-D Child Support Enforcement	93.563	COC62	75,616	-	-	75,616	75,616	-
<b>FEDERAL DEPARTMENT OF HOMELAND SECURITY</b>								
<b>passed through Florida Division of Emergency Management</b>								
Emergency Management Performance Grant	97.042	DEM 19-BG-21-03-72-01-091	94,028	-	-	94,028	94,028	-
Emergency Management Performance Grant	97.042	DEM 19-FG-AF-03-72-01-147	59,231	-	-	59,231	59,231	-
			153,259	-	-	153,259	153,259	-
<b>FEDERAL DEPARTMENT OF EMERGENCY MANAGEMENT</b>								
<b>passed through Florida Division of Emergency Management</b>								
Hazard Mitigation Program	97.039	H0028/ 4280-08-R	173,516			106,036	106,036	-
Hazard Mitigation Grant	97.039	H0015/ 4280-18-R	90,690			72,544	72,544	-
FEMA DR-4280 Hurricane Hermine Assistance Grant	97.036	17-PA-W1-03-72-02-001	655,369	355,252	-	303,801	-	-
FEMA Hurricane Michael	97.036	Z0906	76,821			76,821		
FEMA Hurricane Irma	97.036	Z0546	162,069			162,069		
<b>FEDERAL EMERGENCY MANAGEMENT AGENCY</b>								
SAFER Grant	97.083	WX03041N2018T	128,583	-	-	22,061	22,061	-
			1,287,048	355,252	-	743,332	200,641	-
<b>US DOT- FEDERAL AVIATION ADMINISTRATION</b>								
Airport Improvement Program- Lighting Project	20.106	3-12-0064-015-2018	384,100	-	-	376,994	376,994	-
<b>Total federal awards</b>			<b>\$ 2,934,866</b>	<b>\$ 405,702</b>	<b>\$ -</b>	<b>\$ 2,051,861</b>	<b>\$ 1,509,170</b>	<b>\$ -</b>



**TAYLOR COUNTY FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**For The Fiscal Year Ended September 30, 2019**

Federal and State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	Reserved Deferred Revenues 9/30/2019
<b>STATE FINANCIAL ASSISTANCE</b>								
<b>Florida Division of Emergency Management</b>								
FEMA DR-4280 Hurricane Hermine Assistance Grant	31.067	17-PA-W1-03-72-02-001	\$ 50,020	\$ -	\$ -	\$ 50,345	\$ -	\$ -
FEMA Hurricane Michael	31.067	Z0906	-	-	-	6,233	-	-
FEMA Hurricane Irma	31.067	Z0546	-	-	-	17,457	-	-
			<u>50,020</u>	<u>-</u>	<u>-</u>	<u>74,035</u>	<u>-</u>	<u>-</u>
<b>Florida Department of Economic Opportunity</b>								
Community Planning Technical Assistance Grant	40.024	P0323	36,000	-	-	30,000	30,000	-
<b>Department of Environmental Protection</b>								
Small County Solid Waste Grant Agreement	37.012	SC929	90,909	-	-	90,909	90,909	-
			<u>90,909</u>	<u>-</u>	<u>-</u>	<u>90,909</u>	<u>90,909</u>	<u>-</u>
<b>Florida Housing Finance Corporation</b>								
<b>State Housing Initiatives Program</b>								
SHIP Funds 2017-2018	40.901	N/A	350,000	-	168,857	41,200	161,410	7,447
SHIP Funds 2018-2019	40.901	N/A	350,000	-	-	350,000	271,438	78,562
			<u>700,000</u>	<u>-</u>	<u>168,857</u>	<u>391,200</u>	<u>432,848</u>	<u>86,009</u>
<b>Department of Agriculture and Consumer Services</b>								
Arthropod Mosquito Control State Aid	42.003	FDACS-025671	31,439	-	-	34,481	34,481	-
			<u>31,439</u>	<u>-</u>	<u>-</u>	<u>34,481</u>	<u>34,481</u>	<u>-</u>
<b>Department of State</b>								
State Aid to Libraries	45.030	19-ST-87	79,410	-	-	79,410	79,410	-
			<u>79,410</u>	<u>-</u>	<u>-</u>	<u>79,410</u>	<u>79,410</u>	<u>-</u>
<b>Florida Department of Transportation</b>								
<b>Commission for the Transportation Disadvantaged</b>								
Transportation Disadvantaged Grant	55.002	TaylorLPAS	19,886	5,618	-	14,270	14,270	-
Transportation Disadvantaged Grant	55.002	G1887	19,872	-	-	5,365	5,365	-
			<u>39,758</u>	<u>5,618</u>	<u>-</u>	<u>19,635</u>	<u>19,635</u>	<u>-</u>
<b>Aviation Grant Program</b>								
Airfield Lighting and Signage	55.004	436705-1-94-18	173,655	128,278	-	48,341	48,341	-
Design/Construct Taxiways	55.004	443552-1-94-01	358,892	-	-	227,628	227,628	-
			<u>532,547</u>	<u>128,278</u>	<u>-</u>	<u>275,969</u>	<u>275,969</u>	<u>-</u>
<b>Small County Outreach Program</b>								
East Ellison Road	55.009	ARC92	254,856	221	-	37	37	-
San Pedro Road	55.009	G0676	2,574,182	99,267	-	-	-	-
			<u>2,829,038</u>	<u>99,488</u>	<u>-</u>	<u>37</u>	<u>37</u>	<u>-</u>

(Continued)

**TAYLOR COUNTY FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
For The Fiscal Year Ended September 30, 2019

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	Reserved Deferred Revenues 9/30/2019
<b>Florida Department of Transportation</b>								
<b>Small County Road Assistance Program</b>								
East Ellison Road	55.016	AQX74	\$ 163,919	\$ 142	\$ -	\$ 24	\$ 24	\$ -
North Ellison Road	55.016	ARB12	239,068	207	-	39	39	-
Foley Cut-Off Road	55.016	ARM53	816,052	90,977	-	14,585	14,585	-
Houck Road	55.016	GOJ93	984,438	17,700	-	85,665	85,665	-
Pinecrest Road	50.016	G0828	300,000	-	-	50,375	50,375	-
			<u>2,203,477</u>	<u>109,026</u>	<u>-</u>	<u>150,688</u>	<u>150,688</u>	<u>-</u>
<b>Florida Department of Health</b>								
EMS County Grant	64.005	C7062	2,298	-	-	2,298	2,298	-
			<u>2,298</u>	<u>-</u>	<u>-</u>	<u>2,298</u>	<u>2,298</u>	<u>-</u>
<b>Department of Management Services</b>								
<b>Wireless 911 Board-911 Wireless State Funds</b>								
Rural County Maintenance Grant-Fall	72.001	17-11-19	10,342	-	-	10,342	10,342	-
Rural County Maintenance Grant-Spring	72.001	19-04-29	48,039	-	-	48,039	48,039	-
			<u>58,381</u>	<u>-</u>	<u>-</u>	<u>58,381</u>	<u>58,381</u>	<u>-</u>
<b>FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION</b>								
Taylor County Artificial Reef Monitoring Project 2017-18	77.007	FWC-17025	16,374	-	-	16,374	9,374	-
Lionfish Education Exhibit			2,492	-	-	2,446	2,446	-
			<u>16,374</u>	<u>-</u>	<u>-</u>	<u>18,820</u>	<u>11,820</u>	<u>-</u>
<b>Total state financial assistance</b>			<u>\$ 6,669,651</u>	<u>\$ 342,410</u>	<u>\$ 168,857</u>	<u>\$ 1,225,863</u>	<u>\$ 1,186,476</u>	<u>\$ 86,009</u>

See notes to Schedule of federal awards and state financial assistance.

## TAYLOR COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2019

#### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state award activity of Taylor County, Florida and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

##### **B. Reporting Entity**

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

##### **C. Basis of Accounting**

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 related to the timing of the measurements made, regardless of the measurement focus.

The modified accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Under the modified accrual basis, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

#### **2. Indirect Cost Rate**

The County did not elect to use the 10% de minimis cost rate.

**TAYLOR COUNTY, FLORIDA  
SCHEDULE OF FINDINGS  
For the Fiscal Year Ended September 30, 2019**

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued **Unmodified**

Internal control over financial reporting

\*Material weakness identified? **No**

\*Significant deficiencies identified not considered to be a material weakness? **None reported**

Noncompliance material to financial statements **No**

**FEDERAL AWARDS**

Internal control over major programs:

\* Material weakness identified? **No**

\* Significant deficiencies identified that are not considered to be material weaknesses? **None reported**

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

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200 **No**

Identification of major programs:

CFDA Number

Name of Federal Program

14.228

U.S. Department of Housing and Urban Development  
Community Development Block Grant

20.106

U.S. Department of Transportation - Federal Aviation Commission  
Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: **\$ 750,000**

Auditee qualified as low risk auditee? **No**

**Financial Statement Findings**

None

**Federal Awards Findings and Questioned Costs**

None

**(Continued)**

**TAYLOR COUNTY, FLORIDA**  
**SCHEDULE OF FINDINGS (Continued)**  
**For the Fiscal Year Ended September 30, 2019**

**STATE FINANCIAL ASSISTANCE**

Internal control over major programs:

\* Material weakness identified?

No

\* Significant deficiencies identified that are not considered to be material weaknesses?

None reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with rule 10.656, *Rules of the Auditor General*?

No

CSFA Number

Name of State Program

40.901

**FLORIDA HOUSING FINANCE PROGRAM**  
 State Housing Initiatives Partnership Program

55.004

**DEPARTMENT OF TRANSPORTATION**  
 Aviation Grant Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 355,943

**Financial Statement Findings**

None

**State Financial Assistance Findings and Questioned Costs**

None

## MANAGEMENT LETTER

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

We have audited the financial statements of Taylor County, Florida (the County), as of and for the year ended September 30, 2019, and have issued our report thereon dated May 12, 2020.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major Federal Awards Program and State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated May 12, 2020, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

### ***BOARD OF COUNTY COMMISSIONERS***

#### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

#### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

### ***CLERK OF THE CIRCUIT COURT***

#### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

#### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

***PROPERTY APPRAISER***

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

***SHERIFF***

**PRIOR YEAR FINDINGS**

The prior year finding regarding the late deposit of receipts in the Individual Depository Fund was substantially corrected in the current year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

***SUPERVISOR OF ELECTIONS***

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

***TAX COLLECTOR***

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

## AUDITOR GENERAL COMPLIANCE MATTERS

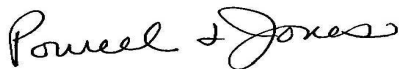
Financial Emergency Status - We determined that the County had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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

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

## CONCLUSION

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



## POWELL & JONES

Certified Public Accountants  
May 12, 2020



## INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined Taylor County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Section 28.35 and 28.36 *Florida Statutes* as to the following during the fiscal year ended September 30, 2019:

- a. The budget certified by the Florida Clerk of Courts Operations Corporation.
- b. The performance standards developed and certified to Sections 28.35, 28.36 and 61.181 *Florida Statutes*.

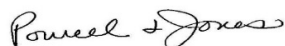
We also examined the County's compliance with sections 365.172(10) and 365.173(2)(d) Florida Statutes and requirements specified by the E911 Board grant and special disbursement programs. These laws require that E911 fee revenues, interest, and E911 grant funding to be used to pay for authorized expenditures as specified in the Statutes.

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

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

In our opinion, Taylor County, Florida and the Taylor County Clerk of the Circuit Court complied, in all material respects, with the aforementioned respective requirements for the year ended September 30, 2019.

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



**POWELL & JONES**  
Certified Public Accountants  
May 12, 2020

**CLERK OF THE CIRCUIT COURT**

**TAYLOR COUNTY, FLORIDA  
CLERK OF THE CIRCUIT COURT**

**SPECIAL PURPOSE FINANCIAL STATEMENTS**

For the Fiscal Year Ended September 30, 2019

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**Powell & Jones**  
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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Clerk of the Circuit Court  
Taylor County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose fund financial statements of the Taylor County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2019, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Clerk of the Circuit Court is part of the reporting entity, Taylor County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

### **Opinion**

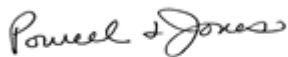
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Clerk of the Circuit Court, as of September 30, 2019, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated April 27, 2020, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk of the Circuit Court's internal control over financial reporting and on compliance.

### **Other Information**

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



**POWELL & JONES**  
Certified Public Accountants  
April 27, 2020

**COMBINED FINANCIAL STATEMENTS**

**TAYLOR COUNTY, FLORIDA  
CLERK OF THE CIRCUIT COURT  
COMBINED BALANCE SHEET - ALL FUNDS  
SEPTEMBER 30, 2019**

	<u>Governmental Funds</u>		<u>Fiduciary Funds</u>	<u>Totals</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Agency Funds</u>	
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	\$ 51,091	\$ 373,684	\$ 207,810	\$ 632,585
Accounts receivable	-	21,425	1,494	22,919
Due from other funds	-	112,122	-	112,122
Investments	-	399,432	117,167	516,599
<b>Total assets</b>	<b>\$ 51,091</b>	<b>\$ 906,663</b>	<b>\$ 326,471</b>	<b>\$ 1,284,225</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 50,891	\$ -	\$ -	\$ 50,891
Due to individuals	-	-	70,467	70,467
Due to other funds	-	-	112,122	112,122
Other current liabilities	200	-	143,882	144,082
<b>Total liabilities</b>	<b>51,091</b>	<b>-</b>	<b>326,471</b>	<b>377,562</b>
<b>FUND EQUITY</b>				
Restricted fund balance	-	906,663	-	906,663
<b>Total liabilities and fund equity</b>	<b>\$ 51,091</b>	<b>\$ 906,663</b>	<b>\$ 326,471</b>	<b>\$ 1,284,225</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
CLERK OF THE CIRCUIT COURT  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUNDS  
For the Fiscal Year Ended September 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ 129,251	\$ 129,251
Charges for services	145,238	302,478	447,716
Fines	-	165,761	165,761
Miscellaneous	7,351	17,922	25,273
<b>Total revenues</b>	<u>152,589</u>	<u>615,412</u>	<u>768,001</u>
<b>EXPENDITURES</b>			
<b>Current expenditures</b>			
General government	1,087,126	-	1,087,126
Court-related	-	678,796	678,796
<b>Total expenditures</b>	<u>1,087,126</u>	<u>678,796</u>	<u>1,765,922</u>
<b>Excess of revenues over (under) expenditures</b>	<b>(934,537)</b>	<b>(63,384)</b>	<b>(997,921)</b>
<b>OTHER FINANCING SOURCES</b>			
Transfers from Board of County Commissioners	934,537	-	934,537
<b>Net change in fund balances</b>	<b>-</b>	<b>(63,384)</b>	<b>(63,384)</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>970,047</b>	<b>970,047</b>
<b>Fund balances at end of year</b>	<u><b>\$ -</b></u>	<u><b>\$ 906,663</b></u>	<u><b>\$ 906,663</b></u>

See notes to financial statements.



**TAYLOR COUNTY, FLORIDA  
CLERK OF THE CIRCUIT COURT  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	General Fund			Special Revenue Funds		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 129,251	\$ 129,251	\$ -
Charges for services	145,238	145,238	-	302,478	302,478	-
Fines	-	-	-	165,761	165,761	-
Miscellaneous	7,351	7,351	-	17,922	17,922	-
<b>Total revenues</b>	<b>152,589</b>	<b>152,589</b>	<b>-</b>	<b>615,412</b>	<b>615,412</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current expenditures						
General government	1,087,126	1,087,126	-	-	-	-
Court-related	-	-	-	678,796	678,796	-
<b>Total expenditures</b>	<b>1,087,126</b>	<b>1,087,126</b>	<b>-</b>	<b>678,796</b>	<b>678,796</b>	<b>-</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(934,537)</b>	<b>(934,537)</b>	<b>-</b>	<b>(63,384)</b>	<b>(63,384)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers from the Board of County Commissioners	934,537	934,537	-	-	-	-
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(63,384)</b>	<b>(63,384)</b>	<b>-</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>970,047</b>	<b>970,047</b>	<b>-</b>
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 906,663</b>	<b>\$ 906,663</b>	<b>\$ -</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2019

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Clerk, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Clerk's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as a part of the primary government of Taylor County, Florida. The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Taylor County, Florida, taken as a whole.

These special purpose financial statements of the Clerk are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. 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 entity, 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 funds utilized by the Clerk are as follows:

**(1) Governmental Funds**

**General Fund** - The General Fund is the general operating fund of the Clerk of the Circuit Court. It is used to account for all financial resources not properly accounted for in any other fund.

**Special Revenue Funds** - Special revenue funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2019, the Clerk maintained the following special revenue funds:

Court Fund  
Child Support Enforcement Incentive  
Child Support Enforcement Reimbursement  
Information Technology/Public Records Modernization Trust  
Teen Court Grants

## 2) Fiduciary Funds

**Agency Funds** - Agency funds are required and used by the Clerk to account for resources received from and disbursed to other governmental units, other funds of Taylor County and individuals. The Clerk functions purely as an agent for others in the maintenance of these funds. The following agency funds are maintained:

General Trust  
Registry of Court  
Cash Bond

**C. Basis of Accounting** - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Clerk of the Circuit Court currently maintains the accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes appropriations to the General Fund of the Clerk of the Circuit Court.

In the budgetary comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Clerk of the Circuit Court.

**E. Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2019, the book balance of the Clerk's cash deposits was \$632,585. This bank balance was covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

### **Florida Local Government Investment Trust Fund (Trust)**

The Florida Local Government Investment Trust (Florida Trust) is a local government investment pool (LGIP) developed through the joint efforts of the Florida Court Clerks and Comptrollers (FCCC) and the Florida Association of Counties (FAC). Organized on December 12, 1991, The Florida Trust is designed to complement existing investment programs by providing investment vehicles for funds that can be invested in short-to intermediate-term securities and have returns generally greater than the national average for money market instruments. The Florida Trust offers two open-ended, professionally managed funds available only to public entities in Florida, the Short-term Bond Fund and the Day to Day Fund. The Short-term bond fund is rated AAf/ S1 by Fitch Ratings' Agency and structured to maintain liquidity, safety of principal, and maximize available yield through a balance of quality and diversification. This fund invests primarily in U.S. Treasuries,

Mortgages, Commercial Paper, Government Related Securities, Asset-Backed Securities rated AAA or A-1, and Corporate Bonds rated A or better by Fitch Ratings. As of September 30, 2019, the Short-term bond fund had investments, at fair value, of approximately \$827,170,404. Of the total investments in this Fund 32.49% was invested in U.S. Treasury Notes. 22.28% was invested in asset backed securities, 21.51% was invested in corporates, 16.24% was invested in government related securities, 4.08% was invested in U.S. Agency notes, .65% was invested in money market funds, .49% was invested in CMO's, 1.27% was invested in Agency ARM and 1% was invested in municipal bonds. The Florida Trust Day to Day Fund had a net position of \$596,573,601. The Day to Day Fund is a Fitch AAAM rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity was 30.45 days as of September 30, 2019. Investments both funds are reported at fair value based on the fair value per share of the underlying portfolio. Of the total investments Day to Day Fund 14.24% was invested in U.S. Treasury Notes. 21.12% was invested in commercial paper. 27.66% was invested in repurchase agreements, 5.30% was invested in government related securities, 10.37% was invested in Corporates, .09% was invested in money market funds, 2.39% was invested in CMO's, 8.61% was invested in Certificates of Deposit. 8.45% was invested in Asset Backed Securities and 1.77% was invested in Municipals.

As of September 30, 2019, the Clerk had investments with the Florida Local Government Day to Day Fund in the amount of \$516,599.

**F. Inventories** - It is the policy of the Clerk to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the General Capital Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation expense has been recorded on the County's general fixed assets. Assets purchased by the Clerk are reported in the County's Governmental Capital Assets Accounts.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$67,226 is reported in the General Long-Term Debt Accounts of Taylor County, Florida.

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

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

**K. Risk Management** - The Clerk is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Clerk directly purchases insurance and participates in the risk management program through the Taylor County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

**NOTE 2. DEFINED BENEFIT PENSION PLAN**

**Plan Description** - The Clerk contributes to the Florida Retirement System ("System"), a cost sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

**Funding Policy** - The System was employee noncontributory through June 30, 2011. Effective July 1, 2011, all employees are required to contribute 3% to the System. The Clerk is required to contribute at an actuarially determined rate. The rates at September 30, 2019 were as follows: Regular Employees 8.47%; Senior Management 25.41%; Elected Officials 48.82% and Employees electing the DROP Program 14.60%. The contribution requirements of plan members and the Clerk are established and may be amended by the Florida Legislature. The Clerk's contributions to the System for the years ending September 30, 2019, 2018 and 2017 were \$141,134, \$128,225, and \$124,658, respectively, equal to the required contributions for each year

**NOTE 3. INTERFUND RECEIVABLES AND PAYABLES**

Balances at September 30, 2019, were:

Fund	Interfund Receivables	Interfund Payables
Information Technology	\$ 112,122	\$ -
Clerk Trust	-	112,122
	<u>\$ 112,122</u>	<u>\$ 112,122</u>

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

**GENERAL FUND**

**TAYLOR COUNTY, FLORIDA  
CLERK OF THE CIRCUIT COURT  
BALANCE SHEET  
GENERAL FUND  
September 30, 2019**

**ASSETS**

**Current Assets**

Cash	<u>\$ 51,091</u>
<b>Total assets</b>	<u><u>\$ 51,091</u></u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

**Current Liabilities**

Accounts payable	\$ 50,891
Other current liabilities	<u>200</u>
<b>Total liabilities and fund equity</b>	<u><u>\$ 51,091</u></u>

**See notes to the financial statements.**



**TAYLOR COUNTY, FLORIDA  
CLERK OF THE CIRCUIT COURT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Charges for services				
General government				
Recording of legal Instruments	\$ 48,788	\$ 50,215	\$ 50,215	\$ -
Other general government charges	89,869	95,023	95,023	-
Total charges for services	<u>138,657</u>	<u>145,238</u>	<u>145,238</u>	-
Miscellaneous				
Interest earnings	665	668	668	-
Miscellaneous	3,670	6,683	6,683	-
Total miscellaneous	<u>4,335</u>	<u>7,351</u>	<u>7,351</u>	-
Total revenues	<u>142,992</u>	<u>152,589</u>	<u>152,589</u>	-
<b>EXPENDITURES</b>				
General government				
County financial and administrative				
Personnel services	347,781	332,675	332,675	-
Operating expenses	24,010	31,973	31,973	-
Capital outlay	-	-	-	-
Total County financial and administrative	<u>371,791</u>	<u>364,648</u>	<u>364,648</u>	-
Clerk BCC recording				
Personnel services	422,108	421,235	421,235	-
Operating expenses	34,509	45,349	45,349	-
Capital outlay	-	-	-	-
Total Clerk BCC recording	<u>456,617</u>	<u>466,584</u>	<u>466,584</u>	-
BCC recording				
Personnel services	63,519	63,453	63,453	-
Operating expenses	105,903	106,532	106,532	-
Capital outlay	-	-	-	-
Total BCC recording	<u>169,422</u>	<u>169,985</u>	<u>169,985</u>	-
BCC Clerical				
Personnel services	85,911	85,909	85,909	-
Total expenditures	<u>1,083,741</u>	<u>1,087,126</u>	<u>1,087,126</u>	-
Excess of revenues over (under) expenditures	(940,749)	(934,537)	(934,537)	-
<b>OTHER FINANCING SOURCES</b>				
Transfers from Board of County Commissioners	940,749	934,537	934,537	-
Net change in fund balance				
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

**SPECIAL REVENUE FUNDS**

**TAYLOR COUNTY, FLORIDA  
SPECIAL REVENUE FUNDS  
CLERK OF THE CIRCUIT COURT  
ALL SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
September 30, 2019**

	Court Fund	Child Support Enforcement		IT/Public Records Modernization	Teen Court Grants	Totals
		Incentive	Reim- bursement	Trust		
<b>ASSETS</b>						
Cash	\$ 8,321	\$ 17,132	\$ 195,694	\$ 110,127	\$ 42,410	\$ 373,684
Accounts receivable	6,466	-	14,959	-	-	21,425
Due from other funds	-	-	-	112,122	-	112,122
Investments	-	-	399,432	-	-	399,432
<b>Total assets</b>	<b>\$ 14,787</b>	<b>\$ 17,132</b>	<b>\$ 610,085</b>	<b>\$ 222,249</b>	<b>\$ 42,410</b>	<b>\$ 906,663</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES</b>						
<b>Restricted</b>	<b>14,787</b>	<b>17,132</b>	<b>610,085</b>	<b>222,249</b>	<b>42,410</b>	<b>906,663</b>
<b>Total liabilities and fund balances</b>	<b>\$ 14,787</b>	<b>\$ 17,132</b>	<b>\$ 610,085</b>	<b>\$ 222,249</b>	<b>\$ 42,410</b>	<b>\$ 906,663</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
ALL SPECIAL REVENUE FUNDS  
CLERK OF THE CIRCUIT COURT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended September 30, 2019**

	Court Fund	Child Support Enforcement		IT/Public Records Modernization Trust	Teen Court Grants	Totals
		Incentive	Reim- bursement			
<b>REVENUES</b>						
Intergovernmental revenue	\$ 53,635	\$ -	\$ 75,616	\$ -	\$ -	\$ 129,251
Charges for services	273,999	-	-	21,937	6,542	302,478
Fines	165,616	-	-	-	145	165,761
Miscellaneous	-	64	10,032	7,826	-	17,922
<b>Total revenues</b>	<u>493,250</u>	<u>64</u>	<u>85,648</u>	<u>29,763</u>	<u>6,687</u>	<u>615,412</u>
<b>EXPENDITURES</b>						
<b>Court related</b>						
Personnel expenses	506,105	-	81,148	-	-	587,253
Operating expenses	84,839	-	6,704	-	-	91,543
<b>Total expenditures</b>	<u>590,944</u>	<u>-</u>	<u>87,852</u>	<u>-</u>	<u>-</u>	<u>678,796</u>
<b>Excess of revenues over (under) expenditures</b>	(97,694)	64	(2,204)	29,763	6,687	(63,384)
<b>Fund balances at beginning of year</b>	<u>112,481</u>	<u>17,068</u>	<u>612,289</u>	<u>192,486</u>	<u>35,723</u>	<u>970,047</u>
<b>Fund balances at end of year</b>	<u>\$ 14,787</u>	<u>\$ 17,132</u>	<u>\$ 610,085</u>	<u>\$ 222,249</u>	<u>\$ 42,410</u>	<u>\$ 906,663</u>

See notes to financial statements.

**AGENCY FUNDS**

**TAYLOR COUNTY, FLORIDA  
CLERK OF THE CIRCUIT COURT  
AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Fiscal Year Ended September 30, 2019**

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
<b>GENERAL TRUST</b>				
<b>Assets</b>				
Cash	\$ 75,116	\$ 2,295,964	\$ 2,262,681	\$ 108,399
Investments	114,377	2,790	-	117,167
Accounts receivable	2,599	10,545	11,650	1,494
<b>Total assets</b>	<u>\$ 192,092</u>	<u>\$ 2,309,299</u>	<u>\$ 2,274,331</u>	<u>\$ 227,060</u>
<b>Liabilities</b>				
Due to other funds	\$ 104,561	\$ 11,378	\$ 3,817	\$ 112,122
Jury witness payable	115	6,657	2,526	4,246
Cash bonds payable	-	4,065	65	4,000
Interest payable	4,410	2,700	-	7,110
Tax deed escrow and deposits payable	79,372	106,707	87,674	98,405
Other current liabilities	3,634	2,177,792	2,180,249	1,177
<b>Total liabilities</b>	<u>\$ 192,092</u>	<u>\$ 2,309,299</u>	<u>\$ 2,274,331</u>	<u>\$ 227,060</u>
<b>REGISTRY OF COURT</b>				
<b>Assets</b>				
Cash	<u>\$ 129,632</u>	<u>\$ 360,999</u>	<u>\$ 420,164</u>	<u>\$ 70,467</u>
<b>Liabilities</b>				
Due to individuals	<u>\$ 129,632</u>	<u>\$ 360,999</u>	<u>\$ 420,164</u>	<u>\$ 70,467</u>
<b>CASH BOND</b>				
<b>Assets</b>				
Cash	<u>\$ 13,167</u>	<u>\$ 27,410</u>	<u>\$ 11,633</u>	<u>\$ 28,994</u>
<b>Liabilities</b>				
Cash bonds payable	<u>\$ 13,167</u>	<u>\$ 27,410</u>	<u>\$ 11,633</u>	<u>\$ 28,944</u>
<b>TOTAL ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 217,915	\$ 2,684,373	\$ 2,694,478	\$ 207,810
Investments	114,377	2,790	-	117,167
Accounts receivable	2,599	10,545	11,650	1,494
<b>Total assets</b>	<u>\$ 334,891</u>	<u>\$ 2,697,708</u>	<u>\$ 2,706,128</u>	<u>\$ 326,471</u>
<b>Liabilities</b>				
Due to other funds	\$ 104,561	\$ 11,378	\$ 3,817	\$ 112,122
Due to individuals	129,632	360,999	420,164	70,467
Jury witness payable	115	6,657	2,526	4,246
Cash bonds payable	13,167	31,475	11,698	32,944
Interest payable	4,410	2,700	-	7,110
Tax deed escrow and deposits payable	79,372	106,707	87,674	98,405
Other current liabilities	3,634	2,177,792	2,180,249	1,177
<b>Total liabilities</b>	<u>\$ 334,891</u>	<u>\$ 2,697,708</u>	<u>\$ 2,706,128</u>	<u>\$ 326,471</u>

See notes to financial statements.

**COMPLIANCE SECTION**

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

To the Clerk of the Circuit Court  
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Clerk of the Circuit Court as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Taylor County Clerk of the Circuit Court’s basic financial statements, and have issued our report thereon dated April 27, 2020.

**Internal Control Over Financial Reporting**

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

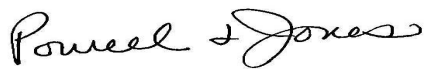
As part of obtaining reasonable assurance about whether the Taylor County Clerk of the Circuit Court’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests



disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

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

**POWELL & JONES**  
Certified Public Accountants  
April 27, 2020

## MANAGEMENT LETTER

Honorable Clerk of the Circuit Court  
Taylor County, Florida

We have audited the financial statements of the Taylor County Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 2019, and have issued our report thereon dated April 27, 2020. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

### PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

### CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

### AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1), *Florida Statutes*, is in agreement with the accompanying financial statements of Taylor County, Florida, for the year ended September 30, 2019. The financial statements of the Clerk of Circuit Court are combined with other County agencies in that report.

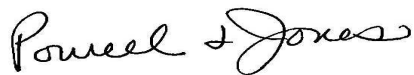
Financial Emergency Status - We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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

Our audit did not disclose any further items that would be required to be reported under *Rules of the Auditor General, Chapter 10.55491(f)*.

## **CONCLUSION**

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

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

**POWELL & JONES**  
Certified Public Accountants  
April 27, 2020

## INDEPENDENT ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court  
Taylor County, Florida

We have examined the Taylor County, Florida's Clerk of the Circuit Court's (Clerk's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. We have also examined the Clerk's compliance with Sections 28.35, 28.36 and 61.181 *Florida Statutes* as to the following during the fiscal year ended September 30, 2019:

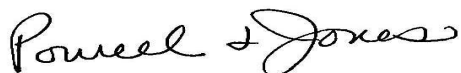
- a. The budget certified by the Florida Clerk of Courts Operations Corporation.
- b. The performance standards developed and certified to Section 28.35 and 28.36 *Florida Statutes*.
- c. The requirements for a depository for alimony, support and maintenance transactions.

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

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

In our opinion, the Taylor County Clerk of the Circuit Court 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 Taylor County, Florida, the Clerk, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**POWELL & JONES**  
Certified Public Accountants  
April 27, 2020

**PROPERTY APPRAISER**

**TAYLOR COUNTY, FLORIDA  
PROPERTY APPRAISER**

**SPECIAL PURPOSE FINANCIAL STATEMENTS**

For the Fiscal Year Ended September 30, 2019

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**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
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Lake City, Florida 32025  
386 / 755-4200  
Fax: 386 / 719-5504  
admin@powellandjonescpa.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Property Appraiser  
Taylor County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose fund financial statements of the Taylor County Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2019, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of

accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser is part of the reporting entity, Taylor County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

### **Opinion**

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Property Appraiser, as of September 30, 2019, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated April 26, 2020, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and on compliance.

### **Other Information**

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



**POWELL & JONES**  
Certified Public Accountants  
April 26, 2020



**COMBINED FINANCIAL STATEMENTS**

**TAYLOR COUNTY, FLORIDA  
PROPERTY APPRAISER  
BALANCE SHEET  
September 30, 2019**

	Governmental Fund
	General Fund
<b>ASSETS</b>	
Current assets	
Cash	\$ 1,467
Due from the Board	5,337
Prepaid expense	6,000
Total assets	\$ 12,804
 <b>LIABILITIES</b>	
Current liabilities	
Accrued liabilities	\$ 11,337
Due to Board of County Commissioners	1,467
Total liabilities	\$ 12,804

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**  
**PROPERTY APPRAISER**  
**GOVERNMENTAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended September 30, 2019**

	<u>General Fund</u>
<b>EXPENDITURES</b>	
General government	
Current operating expenditures	<u>\$ 767,150</u>
 Total expenditures	
 Excess of revenues over (under) expenditures	 (767,150)
 <b>OTHER FINANCING SOURCES</b>	
Transfers from Board of County Commissioners	<u>767,150</u>
 Net change in fund balance	 -
 Fund balance at beginning of year	 -
Fund balance at end of year	<u><u>\$ -</u></u>

**TAYLOR COUNTY, FLORIDA**

**PROPERTY APPRAISER**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2019

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Property Appraiser, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Property Appraiser's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as a part of the primary government of Taylor County, Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Taylor County, Florida, taken as a whole.

These special purpose financial statements of the Property Appraiser are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. Fund Accounting**

Accounts are organized on the basis of funds and account groups, 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 entity, 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 funds and account group utilized by the Property Appraiser are as follows:

(i) **Governmental Fund**

**General Fund** - The General Fund of the Property Appraiser is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

**C. Basis of Accounting**

The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The

Property Appraiser currently maintains his accounting records on the cash basis. However, for financial statement purposes appropriate adjustments are made to report the governmental fund type using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

#### **D. Budget**

Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes the operating budget of the Property Appraiser. The Property Appraiser's budget is also subject to approval by the Florida Department of Revenue.

In the budgetary comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Property Appraiser.

#### **E. Cash and Investments**

Deposits are carried at cost which equals market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2019, the book balance of the Property Appraiser's deposits was \$1,467. The total bank balance was covered by federal depository insurance and pledged collateral.

#### **F. Inventories**

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

#### **G. Fixed Assets**

Fixed assets used in governmental fund operations are accounted for in the General Fixed Assets Group of Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Property and equipment are depreciated using the straight-line method. Assets purchased by the Property Appraiser are reported in the Board of County Commissioners' Governmental Capital Assets Accounts.

#### **H. Compensated Absences**

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$9,895 is reported in the General Long-Term Debt Accounts of Taylor County, Florida.

#### **I. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **J. Risk Management**

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

#### **K. Deferred Revenues**

Deferred revenues reported in the special purpose fund financial statements represent unearned revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as deferred revenues.

### **NOTE 2. PENSION PLAN**

**Plan Description** - The Property Appraiser contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

**Funding Policy** - The System is employee noncontributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their wages. The Property Appraiser is required to contribute at an actuarially determined rate. The rates at September 30, 2019 were as follows: Regular Employees 8.47%; Senior Management 25.41%; DROP 14.60%, and Elected Officials 48.82%. The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Property Appraiser's contributions to the System for the years ending September 30, 2019, 2018, and 2017 were \$95,825, \$90,631 and \$77,504, respectively, equal to the required contributions for each year. Full information on the System is included in Note 12 to the Taylor County, Florida, Financial Report.

## **INDIVIDUAL FUND STATEMENTS**

**GENERAL FUND**



**TAYLOR COUNTY, FLORIDA  
PROPERTY APPRAISER  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Budget Positive (Negative)
<b>EXPENDITURES</b>				
General government				
Property Appraiser				
Personnel services				
Executive salaries	\$ 102,948	\$ 102,948	\$ 102,948	\$ -
Regular salaries	305,376	305,376	294,102	11,274
FICA	31,314	31,314	29,262	2,052
Retirement	65,194	76,531	95,825	(19,294)
Life and health insurance and other	154,386	154,386	133,007	21,379
Total personnel services	<u>659,218</u>	<u>670,555</u>	<u>655,144</u>	<u>15,411</u>
Operating services				
Education	3,500	3,500	1,365	2,135
Dues and memberships	4,700	4,700	3,768	932
Legal ads	2,000	2,000	2,261	(261)
Professional services	58,700	52,700	70,492	(17,792)
Contractual services	-	-	3,350	(3,350)
Travel and per diem	8,500	8,500	7,316	1,184
Communications	5,016	5,016	6,166	(1,150)
Rentals, repairs and maintenance	2,000	2,000	737	1,263
Office supplies and expense	18,550	18,550	15,746	2,804
Other current charges	1,000	1,000	805	
Total operating expenses	<u>103,966</u>	<u>97,966</u>	<u>112,006</u>	<u>(14,235)</u>
Total expenditures	<u>763,184</u>	<u>768,521</u>	<u>767,150</u>	<u>1,176</u>
Excess of revenue over (under) expenditures	(763,184)	(768,521)	(767,150)	1,371
<b>OTHER FINANCING SOURCE</b>				
Transfers from Board of County Commissioners	<u>763,184</u>	<u>768,521</u>	<u>767,150</u>	<u>(1,371)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

**COMPLIANCE SECTION**

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

To the Property Appraiser  
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Property Appraiser as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Taylor County Property Appraiser’s special purpose fund financial statements, and have issued our report thereon dated April 26, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Taylor County Property Appraiser’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Taylor County Property Appraiser’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Taylor County Property Appraiser’s internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

A handwritten signature in black ink that reads "Powell & Jones". The signature is written in a cursive, flowing style.

**POWELL & JONES**  
Certified Public Accountants  
April 26, 2020

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

Honorable Property Appraiser  
Taylor County, Florida

We have audited the financial statements of the Taylor County Property Appraiser, as of and for the year ended September 30, 2019, and have issued our report thereon dated April 26, 2020.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated April 26, 2020. Disclosures in that report should be considered in conjunction with this management letter.

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

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

**FINANCIAL COMPLIANCE MATTERS**

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Taylor County, Florida, for the year ended September 30, 2019. The financial statements of the Property Appraiser are combined with other County agencies in that report.

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

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

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.554(1)(f).

## **CONCLUSION**

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

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

## **POWELL & JONES**

Certified Public Accountants

April 26, 2020

## INDEPENDENT ACCOUNTANT'S REPORT

To The Property Appraiser  
Taylor County, Florida

We have examined the Taylor County, Florida Property Appraiser's (the Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

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

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



**POWELL & JONES**  
Certified Public Accountants  
April 26, 2020

**SHERIFF**



**TAYLOR COUNTY, FLORIDA**  
**SHERIFF**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended September 30, 2019

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**Powell & Jones**  
Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Sheriff  
Taylor County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose fund financial statements of the Taylor County Sheriff (the Sheriff), as of and for the year ended September 30, 2019, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Sheriff is part of the reporting entity, Taylor County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

### **Opinion**

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Sheriff, as of September 30, 2019, and the results of its operations and budgetary comparison for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by *Government Auditing Standards***

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

### **Other Information**

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



**POWELL & JONES**  
Certified Public Accountants  
May 29, 2020

**COMBINED FINANCIAL STATEMENTS**

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
COMBINED BALANCE SHEET - ALL FUND TYPES  
September 30, 2019**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Totals</u>
	Special		Agency Funds	
	<u>General Fund</u>	<u>Revenue Funds</u>		
<b>ASSETS</b>				
<b>Current assets</b>				
Cash	\$ 415,956	\$ 18,800	\$ 13,755	\$ 448,511
Accounts receivable	-	8,797	658	9,455
Due from state	-	37,414	-	37,414
Due from other governmental units	-	2,810	-	2,810
<b>Total assets</b>	<b>\$ 415,956</b>	<b>\$ 67,821</b>	<b>\$ 14,413</b>	<b>\$ 498,190</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 1,575	\$ -	\$ -	\$ 1,575
Due to individuals	-	-	5,142	5,142
Due to Board of County Commissioners	414,381	-	-	414,381
Other current liabilities	-	-	9,271	9,271
<b>Total liabilities</b>	<b>415,956</b>	<b>-</b>	<b>14,413</b>	<b>430,369</b>
<b>Fund balance</b>				
Restricted	-	67,821	-	67,821
<b>Total fund balances</b>	<b>-</b>	<b>67,821</b>	<b>-</b>	<b>67,821</b>
<b>Total liabilities and fund balances</b>	<b>\$ 415,956</b>	<b>\$ 67,821</b>	<b>\$ 14,413</b>	<b>\$ 498,190</b>

See notes to financial statements

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Fiscal Year Ended September 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
<b>REVENUES</b>			
Intergovernmental	\$ 78,338	\$ 153,258	\$ 231,596
Charges for services	148,917	69,179	218,096
Fines and forfeitures	-	43	43
Miscellaneous	3,474	811	4,285
<b>Total revenues</b>	<u>230,729</u>	<u>223,291</u>	<u>454,020</u>
<b>EXPENDITURES</b>			
Public safety			
Law enforcement			
Personnel services	3,713,064	-	3,713,064
Operating expenses	679,187	50,922	730,109
<b>Total law enforcement</b>	<u>4,479,947</u>	<u>62,882</u>	<u>4,542,829</u>
Detention and correction			
Personnel services	1,811,462	-	1,811,462
Operating expenses	528,214	112,970	641,184
<b>Total detention and correction</b>	<u>2,339,676</u>	<u>125,593</u>	<u>2,465,269</u>
<b>Total expenditures</b>	<u>6,819,623</u>	<u>188,475</u>	<u>7,008,098</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(6,588,894)</u>	<u>34,816</u>	<u>(6,554,078)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from (to) Board of County Commissioners	6,491,438	37,545	6,528,983
Transfer from other funds	103,456	6,000	109,456
Transfers (to) other funds	(6,000)	(103,456)	(109,456)
<b>Total other financing sources (uses)</b>	<u>6,588,894</u>	<u>(59,911)</u>	<u>6,528,983</u>
<b>Net change in fund balances</b>	-	(25,095)	(25,095)
<b>Fund balances at beginning of year</b>	-	92,916	92,916
<b>Fund balances at end of year</b>	<u>\$ -</u>	<u>\$ 67,821</u>	<u>\$ 67,821</u>

See notes to financial statements

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL AND SPECIAL REVENUE FUNDS  
For the Fiscal Year Ended September 30, 2019**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ 78,338	\$ 78,338	\$ 153,258	\$ 153,258	\$ -
Charges for services	-	148,917	148,917	69,179	69,179	-
Fines and forfeitures	-	-	-	43	43	-
Miscellaneous	-	3,474	3,474	811	811	-
<b>Total revenues</b>	<b>-</b>	<b>230,729</b>	<b>230,729</b>	<b>223,291</b>	<b>223,291</b>	<b>-</b>
<b>EXPENDITURES</b>						
<b>Public Safety</b>						
Law enforcement						
Personnel services	3,753,480	3,713,064	40,416	-	-	-
Operating expenses	528,754	679,187	(150,433)	50,922	50,922	-
Capital outlay	-	87,696	(87,696)	11,960	11,960	-
<b>Total law enforcement</b>	<b>4,282,234</b>	<b>4,479,947</b>	<b>(197,713)</b>	<b>62,882</b>	<b>62,882</b>	<b>-</b>
Detention and correction						
Personnel services	2,041,294	1,811,462	229,832	-	-	-
Operating expenses	516,526	528,214	(11,688)	112,970	112,970	-
<b>Total detention and correction</b>	<b>2,557,820</b>	<b>2,339,676</b>	<b>218,144</b>	<b>125,593</b>	<b>125,593</b>	<b>-</b>
<b>Total expenditures</b>	<b>6,840,054</b>	<b>6,819,623</b>	<b>20,431</b>	<b>188,475</b>	<b>188,475</b>	<b>-</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(6,840,054)</b>	<b>(6,588,894)</b>	<b>251,160</b>	<b>34,816</b>	<b>34,816</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers from (to) Board of County Commissioners	6,840,054	6,491,438	(348,616)	37,545	37,545	-
Transfers from other funds	-	103,456	103,456	6,000	6,000	-
Transfers to other funds	-	(6,000)	(6,000)	(103,456)	(103,456)	-
<b>Total other financing sources (uses)</b>	<b>6,840,054</b>	<b>6,588,894</b>	<b>(251,160)</b>	<b>(59,911)</b>	<b>(59,911)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,095)</b>	<b>(25,095)</b>	<b>-</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,916</b>	<b>92,916</b>	<b>-</b>
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 67,821</b>	<b>\$ 67,821</b>	<b>\$ -</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**

**SHERIFF**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the Taylor County Sheriff (Sheriff).

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Taylor County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or results of operations of Taylor County, Florida, taken as a whole.

These special purpose financial statements of the Sheriff are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. Fund Accounting** - Accounts are organized on the basis of funds and account groups, 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 entity, 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 funds utilized by the Sheriff are as follows:

**(i) Governmental Funds**

**General Fund** - The General Fund of the Sheriff is used to account for all financial resources, which are generated from operations of the Office or any other resources not required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. During the fiscal year ended September 30, 2019, the Sheriff maintained the following Special Revenue Funds:

Drug Task Force Grant  
Non-grant forfeitures



Local Law Enforcement Block Grant  
Special Law Enforcement Trust  
Inmate Welfare  
Emergency Management Grant

(ii) **Fiduciary Funds**

**Agency Funds** - Agency funds are required and used by the Sheriff to account for resources received from and disbursed to other governmental units, other funds of Taylor County and individuals. The Sheriff functions purely as an agent for others in the maintenance of these funds. The following Agency Funds are maintained:

Individual Depository  
Inmate Trust  
Evidence Trust

**C. Basis of Accounting** - The “Basis of Accounting” refers to when revenues and expenditures, and the related assets and liabilities, are recognized in the accounting records and reported in the financial statements. The Sheriff currently maintains his accounting records for all funds on the cash basis. However, for financial statements purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes the operating budget of the Sheriff.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the amended budget of the Sheriff.

**E. Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as “Cash.” At September 30, 2019, the book balance of the Sheriff’s deposits was \$448,511. This balance was covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

**F. Inventories** - It is the policy of the Sheriff to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the Sheriff's Capital Assets Accounts, except for its infrastructure fixed assets which the County has elected not to report. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been provided on the Sheriff's fixed assets.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$412,175 is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2. CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Equipment	Accumulated Depreciation	Net Assets
Beginning Balance	\$ 2,558,160	\$ (2,036,929)	\$ 521,231
Additions	87,696	(301,207)	(213,511)
Adjustments	-	(24,093)	(24,093)
Ending Balance	<u>\$ 2,645,856</u>	<u>\$ (2,362,229)</u>	<u>\$ 283,627</u>

**NOTE 3. PENSION PLAN**

**Plan Description** - The Sheriff contributes to the Florida Retirement System ("System"), a cost sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850)488-5706.

**Funding Policy** - The System was employee noncontributory through June 30, 2011. Subsequently, employees contribute 3% of their salaries to the System. The Sheriff is required to contribute at an actuarially determined rate. The rates at September 30, 2019, were as follows: Regular Employees 8.47%; Special Risk Administrative Support 34.98%, Special Risk Employees 25.48%; Senior Management 25.41%; Elected Officials 48.82% and employees electing the DROP Program 14.60%. The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2019, 2018, 2017, 2016 and 2015 were \$703,856, \$673,909, \$627,227, \$587,573, and \$530,119, respectively, equal to the required contributions for each year. Full information on the System is included in Note 12 to the Taylor County, Florida Financial Report.

**NOTE 4. RISK MANAGEMENT**

The Sheriff participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the Sheriff's entity risk pool pays annual premiums to the pools for its insurance coverages. The agreements for formation of the pools provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specific amounts.

The Sheriff continues to carry commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The pooling agreements allow for the pools to make additional assessments to make the pools self-sustaining. It is not possible to estimate the amount of such additional assessments, which might have to be paid by the Sheriff.

The pooling agreements require the pool to be self-sustaining. It is not possible to estimate the amount of losses, which might have to be borne by the Sheriff.

**NOTE 5. LEASES**

The Sheriff has various leases for office equipment with noncancelable terms. Lease expense for the 2019 fiscal year was \$6,888. The following is a schedule of commitments under these leases:

<u>Fiscal Year Ending</u>		
2020	\$	16,352
2021		1,060
Total	<u>\$</u>	<u>17,412</u>

**NOTE 6. CONTINGENT LIABILITIES**

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

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
GENERAL FUND  
BALANCE SHEET  
September 30, 2019**

**ASSETS**

Cash	\$ 415,956
Total assets	<u>\$ 415,956</u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable and accrued liabilities	\$ 1,575
Due to Board of County Commissioners	414,381
Total liabilities	<u>415,956</u>
Total liabilities and fund balance	<u>\$ 415,956</u>

**See notes to financial statements.**

**TAYLOR COUNTY  
SHERIFF  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenue				
Federal grants				
Public safety	\$ -	\$ -	\$ 78,338	\$ 78,338
Total intergovernmental revenue	<u>-</u>	<u>-</u>	<u>78,338</u>	<u>78,338</u>
Charges for services				
Public safety	<u>-</u>	<u>-</u>	<u>148,917</u>	<u>148,917</u>
Miscellaneous				
Miscellaneous	<u>-</u>	<u>-</u>	<u>3,474</u>	<u>3,474</u>
Total miscellaneous	<u>-</u>	<u>-</u>	<u>3,474</u>	<u>3,474</u>
Total revenues	<u>-</u>	<u>-</u>	<u>230,729</u>	<u>230,729</u>
<b>EXPENDITURES</b>				
Public safety				
Law enforcement				
Personnel services	3,753,480	3,753,480	3,713,064	40,416
Operating expenses	528,754	528,754	679,187	(150,433)
Capital outlay	<u>-</u>	<u>-</u>	<u>87,696</u>	<u>(87,696)</u>
Total law enforcement	<u>4,282,234</u>	<u>4,282,234</u>	<u>4,479,947</u>	<u>(197,713)</u>
Corrections and detention				
Personnel services	2,041,294	2,041,294	1,811,462	229,832
Operating expenses	516,526	516,526	528,214	(11,688)
Total corrections and detention	<u>2,557,820</u>	<u>2,557,820</u>	<u>2,339,676</u>	<u>218,144</u>
Total expenditures	<u>6,840,054</u>	<u>6,840,054</u>	<u>6,819,623</u>	<u>20,431</u>
Excess of revenues over (under) expenditures	<u>(6,840,054)</u>	<u>(6,840,054)</u>	<u>(6,588,894)</u>	<u>251,160</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from Board of County Commissioners	6,840,054	6,840,054	6,491,438	(348,616)
Transfers from other funds	-	-	103,456	103,456
Transfers to other funds	<u>-</u>	<u>-</u>	<u>(6,000)</u>	<u>(6,000)</u>
Total other financing sources	<u>6,840,054</u>	<u>6,840,054</u>	<u>6,588,894</u>	<u>(251,160)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
September 30, 2019**

	<u>Drug Task Force Grant</u>	<u>Nongrant Forfeitures</u>	<u>Inmate Welfare</u>	<u>Local Law Enforcement Block Grant</u>	<u>Special Law Enforcement Trust</u>	<u>Emergency Management</u>	<u>Totals</u>
<b>ASSETS</b>							
<b>Current assets</b>							
Cash	\$ 33	\$ 3,670	\$ 1,812	\$ 3,039	\$ 5,659	\$ 4,587	\$ 18,800
Accounts receivable	-	-	8,797	-	-	-	8,797
Due from state	-	-	-	-	-	37,414	37,414
Due from other governmental units	2,165	645	-	-	-	-	2,810
<b>Total assets</b>	<u>\$ 2,198</u>	<u>\$ 4,315</u>	<u>\$ 10,609</u>	<u>\$ 3,039</u>	<u>\$ 5,659</u>	<u>\$ 42,001</u>	<u>\$ 67,821</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>							
Restricted	2,198	4,315	10,609	3,039	5,659	42,001	67,821
<b>Total fund balances</b>	<u>\$ 2,198</u>	<u>\$ 4,315</u>	<u>\$ 10,609</u>	<u>\$ 3,039</u>	<u>\$ 5,659</u>	<u>\$ 42,001</u>	<u>\$ 67,821</u>

See notes to financial statements



**TAYLOR COUNTY, FLORIDA  
SHERIFF  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
For the Fiscal Year Ended September 30, 2019**

	<b>Drug Task Force Grant</b>	<b>Nongrant Forfeitures</b>	<b>Inmate Welfare</b>	<b>Local Law Enforcement Block Grant</b>	<b>Special Law Enforcement Trust</b>	<b>Emergency Management</b>	<b>Totals</b>
<b>REVENUES</b>							
<b>Intergovernmental</b>							
Federal and State grants							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 153,258	\$ 153,258
<b>Total Intergovernmental revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>153,258</b>	<b>153,258</b>
<b>Charges for services</b>							
Public safety	-	250	68,929	-	-	-	69,179
<b>Fines and forfeitures</b>							
Court cases							
Confiscated property	-	-	-	-	43	-	43
<b>Miscellaneous</b>							
Miscellaneous	-	-	811	-	-	-	811
<b>Total revenues</b>	<b>-</b>	<b>250</b>	<b>69,740</b>	<b>-</b>	<b>43</b>	<b>153,258</b>	<b>223,291</b>
<b>EXPENDITURES</b>							
<b>Public safety</b>							
<b>Law enforcement</b>							
Operating expenses	10,245	-	-	-	-	40,677	50,922
Capital outlay	-	-	-	-	-	11,960	11,960
<b>Total law enforcement</b>	<b>10,245</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,637</b>	<b>62,882</b>
<b>Corrections and detention</b>							
Operating expenses	-	-	112,970	-	-	-	112,970
Capital outlay	-	-	12,623	-	-	-	12,623
<b>Total corrections and detention</b>	<b>-</b>	<b>-</b>	<b>125,593</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,593</b>
<b>Total expenditures</b>	<b>10,245</b>	<b>-</b>	<b>125,593</b>	<b>-</b>	<b>-</b>	<b>52,637</b>	<b>188,475</b>
<b>Excess of revenues over expenditures</b>	<b>(10,245)</b>	<b>250</b>	<b>(55,853)</b>	<b>-</b>	<b>43</b>	<b>100,621</b>	<b>34,816</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers from Board of County	-	-	-	-	-	37,545	37,545
Transfers from other funds	6,000	-	-	-	-	-	6,000
Transfers to other funds	-	-	-	-	-	(103,456)	(103,456)
<b>Total other financing sources (uses)</b>	<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(65,911)</b>	<b>(59,911)</b>
<b>Net change in fund balance</b>	<b>(4,245)</b>	<b>250</b>	<b>(55,853)</b>	<b>-</b>	<b>43</b>	<b>34,710</b>	<b>(25,095)</b>
<b>Fund balances at beginning of year</b>	<b>6,443</b>	<b>4,065</b>	<b>66,462</b>	<b>3,039</b>	<b>5,616</b>	<b>7,291</b>	<b>92,916</b>
<b>Fund balances at end of year</b>	<b>\$ 2,198</b>	<b>\$ 4,315</b>	<b>\$ 10,609</b>	<b>\$ 3,039</b>	<b>\$ 5,659</b>	<b>\$ 42,001</b>	<b>\$ 67,821</b>

See notes to financial statements

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 2019**

	<u>Individual Depository</u>	<u>Inmate Trust</u>	<u>Evidence Trust</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash	\$ 5,760	\$ 4,484	\$ 3,511	\$ 13,755
Accounts receivable	-	658	-	658
<b>Total assets</b>	<u>\$ 5,760</u>	<u>\$ 5,142</u>	<u>\$ 3,511</u>	<u>\$ 14,413</u>
<b>LIABILITIES</b>				
Due to individuals	\$ -	\$ 5,142	\$ -	\$ 5,142
Other current liabilities	5,760	-	3,511	9,271
<b>Total liabilities</b>	<u>\$ 5,760</u>	<u>\$ 5,142</u>	<u>\$ 3,511</u>	<u>\$ 14,413</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
SHERIFF  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Fiscal Year Ended September 30, 2019**

	Balance October 1, 2018	Additions	Deletions	Balance September 30, 2019
<b>INDIVIDUAL DEPOSITORY</b>				
<b>ASSETS</b>				
Cash	\$ 9,311	\$ 56,135	\$ 59,686	\$ 5,760
<b>Total assets</b>	<b>\$ 9,311</b>	<b>\$ 56,135</b>	<b>\$ 59,686</b>	<b>\$ 5,760</b>
<b>LIABILITIES</b>				
Due to Board of County Commissioners	\$ 5,110	\$ 43,050	\$ 48,160	\$ -
Other current liabilities	4,201	13,085	11,526	5,760
<b>Total liabilities</b>	<b>\$ 9,311</b>	<b>\$ 56,135</b>	<b>\$ 59,686</b>	<b>\$ 5,760</b>
<b>INMATE TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 17,943	\$ 186,429	\$ 199,888	\$ 4,484
Accounts receivable	729	71	729	658
<b>Total assets</b>	<b>\$ 18,672</b>	<b>\$ 186,429</b>	<b>\$ 199,888</b>	<b>\$ 5,142</b>
<b>LIABILITIES</b>				
Due to individuals	\$ 9,444	\$ 186,429	\$ 190,731	\$ 5,142
Other current liabilities	9,228	132,614	141,842	-
<b>Total liabilities</b>	<b>\$ 18,672</b>	<b>\$ 319,043</b>	<b>\$ 332,573</b>	<b>\$ 5,142</b>
<b>EVIDENCE TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 3,509	\$ 44	\$ 42	\$ 3,511
<b>Total assets</b>	<b>\$ 3,509</b>	<b>\$ 44</b>	<b>\$ 42</b>	<b>\$ 3,511</b>
<b>LIABILITIES</b>				
Other current liabilities	\$ 3,509	\$ 44	\$ 42	\$ 3,511
<b>Total liabilities</b>	<b>\$ 3,509</b>	<b>\$ 44</b>	<b>\$ 42</b>	<b>\$ 3,511</b>
<b>TOTALS-ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash	\$ 30,763	\$ 242,608	\$ 259,616	\$ 13,755
Accounts receivable	729	71	729	658
<b>Total assets</b>	<b>\$ 31,492</b>	<b>\$ 242,679</b>	<b>\$ 260,345</b>	<b>\$ 14,413</b>
<b>LIABILITIES</b>				
Due to individuals	\$ 9,444	\$ 186,429	\$ 190,731	\$ 5,142
Due to Board of County Commissioners	5,110	43,050	48,160	-
Other current liabilities	16,938	145,743	153,410	9,271
<b>Total liabilities</b>	<b>\$ 31,492</b>	<b>\$ 375,222</b>	<b>\$ 392,301</b>	<b>\$ 14,413</b>

See notes to financial statements.

**COMPLIANCE SECTION**

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

To the Sheriff  
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Sheriff as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Taylor County Sheriff' special purpose financial statements, and have issued our report thereon dated May 29, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Taylor County Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Taylor County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Taylor County Sheriff' internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Taylor County Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of

noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

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

**POWELL & JONES**  
Certified Public Accountants  
May 29, 2020

## MANAGEMENT LETTER

Honorable Sheriff  
Taylor County, Florida

We have audited the special purpose fund financial statements of the Taylor County Sheriff, as of and for the year ended September 30, 2019, and have issued our report thereon dated May 29, 2020.

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

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in this report which is dated May 29, 2020, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. The Letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

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

### PRIOR YEAR FINDINGS

#### Individual Depository Fund

From our audit of transactions in the Individual Depository Fund, we found that many receipts were not recorded and deposited in a timely manner. There were receipts that were not recorded or deposited for up to 90 days from initial receipt.

For adequate internal control and security of cash receipts, we recommend that all cash received in the Office be recorded and deposited on a daily basis if feasible and always by the end of each work week.

In the current year we noted that this finding was substantially corrected

### CURRENT YEAR FINDINGS

There were no additional findings in the current year.

## **AUDITOR GENERAL COMPLIANCE MATTERS**

Annual Report of Units of Local Government - The financial report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is an agreement with the audited special purpose fund financial statements of Taylor County, Florida, for the year ended September 30, 2019. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

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

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

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

## **CONCLUSION**

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



**POWELL & JONES**  
Certified Public Accountants  
May 29, 2020



## INDEPENDENT ACCOUNTANT'S REPORT

To The Sheriff  
Taylor County, Florida

We have examined the Taylor County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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



**POWELL & JONES**  
Certified Public Accountants  
May 29, 2020

**SUPERVISOR OF ELECTIONS**

**TAYLOR COUNTY, FLORIDA**  
**SUPERVISOR OF ELECTIONS**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended September 30, 2019

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**Powell & Jones**  
Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Supervisor of Elections  
Taylor County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose fund financial statements of the Taylor County Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2019, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of Elections is part of the reporting entity, Taylor County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

### **Opinion**

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Supervisor of Elections, as of September 30, 2019, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated March 9, 2020, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and on compliance.

### **Other Information**

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



**POWELL & JONES**  
Certified Public Accountants  
March 9, 2020

**COMBINED FINANCIAL STATEMENTS**

**TAYLOR COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS  
GENERAL FUND  
BALANCE SHEET  
September 30, 2019**

**ASSETS**

**Current Assets**

<b>Cash</b>	<b>\$</b>	<b>40,902</b>
<b>Receivables</b>		<b>54</b>
<b>Total assets</b>	<b>\$</b>	<b>40,956</b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

**Current Liabilities**

<b>Unearned grant revenue</b>	<b>\$</b>	<b>14,637</b>
<b>Due to Board of County Commissioners</b>		<b>26,319</b>
<b>Total liabilities</b>		<b>40,956</b>
<b>FUND BALANCE</b>		<b>-</b>
<b>Total liabilities and fund balance</b>	<b>\$</b>	<b>40,956</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS  
GOVERNMENTAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
For the Fiscal Year Ended September 30, 2019**

	<b>Actual</b>
<b>REVENUES</b>	
<b>Intergovernmental</b>	
<b>Federal grants</b>	
<b>Federal Elections</b>	\$ 5,594
<b>Security grant</b>	50,323
<b>Voting system equipment grant</b>	6,120
<b>Total intergovernmental</b>	62,037
<b>Miscellaneous</b>	
<b>Other</b>	5,673
<b>Total miscellaneous</b>	5,673
<b>Total revenues</b>	67,710
<b>EXPENDITURES</b>	
<b>General government</b>	
<b>Other general government</b>	
<b>Supervisor of Elections</b>	
<b>Personnel services</b>	313,867
<b>Operating expenses</b>	120,669
<b>Capital outlay</b>	63,425
<b>Total Supervisor of Elections</b>	497,961
<b>Elections</b>	
<b>Personnel services</b>	48,795
<b>Operating expenses</b>	108,410
<b>Capital outlay</b>	5,594
<b>Total elections</b>	162,799
<b>Total general government</b>	660,760
<b>Excess of revenues over (under)   expenditures</b>	(593,050)
<b>OTHER FINANCING SOURCES</b>	
<b>Transfers (to) from Board of County   Commissioners</b>	
<b>Transfers in</b>	619,369
<b>Transfers out</b>	(26,319)
<b>Total other financing sources (uses)</b>	593,050
<b>Net change in fund balance</b>	-
<b>Fund balance at end of year</b>	\$ -

See notes to financial statements.



**TAYLOR COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the Taylor County Supervisor of Elections (Supervisor of Elections).

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Supervisor of Elections, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Supervisor of Elections' Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as a part of the primary government of Taylor County, Florida. The Supervisor of Elections' financial statements do not purport to reflect the financial position or the results of operations of a Taylor County, Florida, taken as a whole.

These special purpose financial statements of the Supervisor of Elections are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. 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 balance, 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 funds utilized by the Supervisor of Elections are as follows:

**(i) Governmental Funds**

**General Fund** - The General Fund of the Supervisor of Elections is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

**Special Revenue Fund** - The Special Revenue Fund is used to account for grant funds received and expenditures by the office during the year.

**C. Basis of Accounting** - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Supervisor of Elections currently maintains accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Supervisor of Elections.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the operating budget of the Supervisor of Elections.

In the budgetary comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Supervisor of Elections, as amended by the Supervisor of Elections.

**E. Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2019, the book balance of the Supervisor of Elections' deposits was \$40,902.

**F. Inventories** - It is the policy of the Supervisor of Elections to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the Capital Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been recorded using the straight-line method on the County's general fixed assets. Assets purchased by the Supervisor of Elections are reported in the Board of County Commissioners' Governmental Capital Assets Accounts.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$17,495 is reported in the General Long-Term Debt Accounts of Taylor County, Florida.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**J. Risk Management** - The Supervisor of Elections is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets: errors or omissions: injuries to employees and the public: or damage to property of others. The Supervisor of Elections directly purchases insurance and participates in the risk management program through the Taylor County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from losses.

**K. Unearned Revenues** – Unearned revenues reported in the special purpose fund financial statements represent unearned revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as deferred revenues.

**NOTE 2. PENSION PLAN**

**Plan Description** - The Supervisor of Elections contributes to the Florida Retirement System (“System”), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida; or by calling (850) 488-5706.

**Funding Policy** - The System was employee noncontributory through June 30, 2011. Subsequently, employees are required to contribute 3% to the System. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates at September 30, 2019, were as follows: Regular Employees 8.47%; Senior Management 25.41%; and Elected Officials 48.82%. The contribution requirements of plan members and the Supervisor of Elections are established and may be amended by the Florida Legislature. The Supervisor of Elections’ contributions to the System for the years ending September 30, 2019, 2018, and 2017 were \$57,730, \$54,235, and \$41,206, respectively, equal to the required contributions for each year. Full financial information on the System is contained in Note 12 to the Taylor County, Florida Financial Report.

**NOTE 3. LEASES**

The Supervisor has various leases for office equipment on noncancelable terms. Lease expense for the 2019 fiscal year was \$1,824. The following is a schedule of commitments under these leases.

<u>Fiscal Year Ending</u>	
2020	\$ 2,909
2021	<u>1,672</u>
Total	<u>\$ 4,581</u>

**INDIVIDUAL FUND STATEMENTS**

**GENERAL FUND**

**TAYLOR COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
<b>Intergovernmental</b>			
<b>Federal grants</b>			
Federal elections	\$ -	\$ 5,594	\$ 5,594
Security grant	-	50,323	50,323
Albert grant	-	6,120	6,120
<b>Total Intergovernmental</b>	<b>-</b>	<b>62,037</b>	<b>62,037</b>
<b>Miscellaneous</b>			
Other	-	5,673	5,673
<b>Total miscellaneous</b>	<b>-</b>	<b>5,673</b>	<b>5,673</b>
<b>Total revenues</b>	<b>-</b>	<b>67,710</b>	<b>67,710</b>
<b>EXPENDITURES</b>			
<b>General government</b>			
<b>Other general government</b>			
<b>Supervisor of Elections</b>			
Personnel services	314,466	313,867	599
Operating expenses	110,209	120,669	(10,460)
Capital outlay	28,405	63,425	(35,020)
<b>Total Supervisor of Elections</b>	<b>453,080</b>	<b>497,961</b>	<b>(44,881)</b>
<b>Elections</b>			
Personnel services	48,795	48,795	-
Operating expenses	117,494	108,410	9,084
Capital outlay	-	5,594	(5,594)
<b>Total elections</b>	<b>166,289</b>	<b>162,799</b>	<b>3,490</b>
<b>Total general government</b>	<b>619,369</b>	<b>660,760</b>	<b>(41,391)</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(619,369)</b>	<b>(593,050)</b>	<b>26,319</b>
<b>OTHER FINANCING SOURCES</b>			
<b>Transfers (to) from Board of County Commissioners</b>			
Transfers In	619,369	619,369	-
Transfers out	-	(26,319)	(26,319)
<b>Total other financing sources (uses)</b>	<b>619,369</b>	<b>593,050</b>	<b>(26,319)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COMPLIANCE SECTION**

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

To the Supervisor or Elections  
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Supervisor of Elections as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Taylor County Supervisor of Elections' special purpose fund financial statements, and have issued our report thereon dated March 9, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Taylor County Supervisor of Elections' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Taylor County Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Taylor County Supervisor of Elections' internal control.

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

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

**Compliance and Other Matters**

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



**Purpose of this Report**

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

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

**POWELL & JONES**  
Certified Public Accountants  
March 9, 2020

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

Honorable Supervisor of Elections  
Taylor County, Florida

We have audited the financial statements of the Taylor County Supervisor of Elections, as of and for the year ended September 30, 2019, and have issued our report thereon dated March 9, 2020.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated March 9, 2020. Disclosures in that report should be considered in conjunction with this management letter.

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

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

**FINANCIAL COMPLIANCE MATTERS**

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Taylor County, Florida, for the year ended September 30, 2019. The financial statements of the Supervisor of Elections are combined with other County agencies in that report.

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

Financial Condition Assessment Procedures - As required by the Rules of the Auditor General (Sections 10.554(1)(i)5.c. and 10.556(7)), we applied financial condition assessment procedures.

It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.554(1)(f).

## **CONCLUSION**

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

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

## **POWELL & JONES**

Certified Public Accountants

March 9, 2020

## INDEPENDENT ACCOUNTANT'S REPORT

To The Supervisor of Elections  
Taylor County, Florida

We have examined the Taylor County, Florida Supervisor of Elections' (the Supervisor) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

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

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

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



**POWELL & JONES**  
Certified Public Accountants  
March 9, 2020

**TAX COLLECTOR**

**TAYLOR COUNTY, FLORIDA  
TAX COLLECTOR**

**SPECIAL PURPOSE FINANCIAL STATEMENTS**

For the Fiscal Year Ended September 30, 2019

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**Powell & Jones**  
Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Tax Collector  
Taylor County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose fund financial statements of the Taylor County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2019, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting entity, Taylor County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

### **Opinion**

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Tax Collector, as of September 30, 2019, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated January 27, 2020 on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and on compliance.

### **Other Information**

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



**POWELL & JONES**  
Certified Public Accountants  
January 27, 2020



## **COMBINED FINANCIAL STATEMENTS**

**TAYLOR COUNTY, FLORIDA  
TAX COLLECTOR  
COMBINED BALANCE SHEET - ALL FUNDS  
September 30, 2019**

	<u>Governmental Fund</u>	<u>Fiduciary Funds</u>	
	<u>General Fund</u>	<u>Agency Funds</u>	<u>Totals</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash	\$ 99,576	\$ 385,292	\$ 484,868
Due from individuals and receivables	-	43,492	43,492
<b>Total assets</b>	<b>\$ 99,576</b>	<b>\$ 428,784</b>	<b>\$ 528,360</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Due to Board of County Commissioners	\$ 97,476	\$ -	\$ 97,476
Due to other governmental units	-	8,649	8,649
Installments, fees and taxes payable	-	378,206	378,206
Other current liabilities	2,100	41,929	44,029
<b>Total liabilities</b>	<b>\$ 99,576</b>	<b>\$ 428,784</b>	<b>\$ 528,360</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA  
TAX COLLECTOR  
GENERAL FUND  
COMBINED STATEMENT F REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended September 30, 2019**

<b>REVENUES</b>	
Charges for services	\$ 835,870
Miscellaneous	1,915
<b>Total revenues</b>	<b>837,785</b>
 <b>EXPENDITURES</b>	
General government	
Current expenditures	1,042,085
Capital outlay	2,995
<b>Total expenditures</b>	<b>1,045,080</b>
 <b>Excess of revenues over (under) expenditures</b>	 <b>(207,295)</b>
 <b>OTHER FINANCING SOURCES (USES)</b>	
Transfers from Board of County Commissioners	207,295
<b>Total other financing sources (uses)</b>	<b>207,295</b>
 <b>Net change in fund balance</b>	 <b>-</b>
 <b>Fund balance at beginning of year</b>	 <b>-</b>
<b>Fund balance at end of year</b>	<b>\$ -</b>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA**

**TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2019**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the Taylor County Tax Collector (Tax Collector).

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," 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 Tax Collector, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Tax Collector's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as a part of the primary government of Taylor County, Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Taylor County, Florida, taken as a whole.

These special purpose financial statements of the Tax Collector are issued separately to comply with Section 10.557(4), Rules of the Auditor General for Local Governmental Entity Audits, pursuant to Section 11.45(3), *Florida Statutes*.

**B. Fund Accounting** - Accounts are organized on the basis of funds and account groups, 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 entity, 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 funds utilized by the Tax Collector are as follows:

- (i) **Governmental Fund**  
**General Fund** - The General Fund of the Tax Collector is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.
- (ii) **Fiduciary Funds**  
**Agency Funds** - Agency funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other governments,

and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following Agency Funds are maintained by the Tax Collector:

Tax Fund Account  
Tag Agency

**C. Basis of Accounting** - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Tax Collector currently maintains its accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Tax Collector.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes its funding of the operations of the Tax Collector. The operating budget of the Tax Collector is approved by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Tax Collector, as amended during the year.

**E. Cash and Investments** - Cash deposits are held by a bank qualified as a public depository under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, *Florida Statutes*.

Investments made locally consist of money market funds and are reported at fair value. Types and amounts of investments held at fiscal year end are described in a subsequent note on investments.

The Tax Collector also has petty cash reserves in the amount of \$1,900.

**F. Inventories** - It is the policy of the Tax Collector to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the Capital Asset Accounts, except for its infrastructure fixed assets which the County has elected not to report. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been provided on the County's capital assets. Assets purchased by the Tax Collector are reported in the Board of County Commissioners' Capital Assets Accounts.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$20,071 is reported in the General Long-Term Debt Account Group of Taylor County, Florida.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**J. Risk Management** - The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Tax Collector directly purchases insurance and participates in the risk management program through the Taylor County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

## **NOTE 2. PENSION PLAN**

**Plan Description** - The Tax Collector contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

**Funding Policy** - The System was employee noncontributory through June 30, 2011. Subsequently, employees are required to contribute 3% to the System. The Tax Collector is required to contribute at an actuarially determined rate. The rates at September 30, 2019 were as follows: Regular Employees 8.47%; Senior Management 25.41%; Elected Officials 48.82%. The contribution requirements of plan members and the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2019, 2018, and 2017, were \$117,741, \$105,396, and \$98,034, respectively, equal to the required contributions for each year. Full information on the System is included in Note 12 to the Taylor County, Florida Financial Report.

**NOTE 3. DEPOSITS**

At September 30, 2019, the carrying amount of the Tax Collector's bank deposits was \$484,868. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

**NOTE 4. LEASES**

The Tax Collector has various leases for office equipment and facilities with noncancelable terms. Lease expense for the 2019 fiscal year was \$2,482. The following is a schedule of commitments under these leases:

<u>Fiscal Year Ending</u>	
2020	\$ 2,288
2021	\$ 2,288
2022	\$ 2,288
2023	\$ 300
Total	<u>\$ 7,165</u>

**COMBINING AND INDIVIDUAL FUND STATEMENTS**



**GENERAL FUND**

**TAYLOR COUNTY, FLORIDA  
TAX COLLECTOR  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
<b>Charges for services</b>				
<b>County Officer fees</b>				
<b>Tax roll commissions</b>				
Board of County Commissioners	\$ 410,000	\$ 410,000	\$ 427,809	\$ 17,809
SRWMD	16,000	16,000	15,327	(673)
Advertising	41,000	41,000	35,093	(5,907)
Advertising delinquent	-	-	8,084	8,084
Fees FWCC	10,000	10,000	6,036	(3,964)
Board of County Commissioners postage	8,000	8,000	5,956	(2,044)
DMV fees	131,231	137,267	184,509	47,242
Fees sales tax	1,560	1,560	1,560	-
Fees miscellaneous	5,000	5,000	5,544	544
Fees drivers licenses	50,000	50,000	62,980	12,980
Tax certificate fees	77,122	77,122	72,007	(5,115)
E Comm fees	1,000	1,000	3,865	2,865
Concealed weapons fees	10,000	10,000	7,100	(2,900)
<b>Total charges for services</b>	<u>760,913</u>	<u>766,949</u>	<u>835,870</u>	<u>68,921</u>
<b>Miscellaneous</b>				
Other	1,090	1,090	1,915	825
<b>Total miscellaneous</b>	<u>1,090</u>	<u>1,090</u>	<u>1,915</u>	<u>825</u>
<b>Total revenues</b>	<u>762,003</u>	<u>768,039</u>	<u>837,785</u>	<u>69,746</u>
<b>EXPENDITURES</b>				
<b>General government</b>				
<b>Tax Collector</b>				
<b>Personnel services</b>				
Executive salaries	104,948	104,948	104,948	-
Regular salaries	421,023	421,023	421,000	23
Special pay	12,000	12,000	11,986	14
FICA	39,449	39,449	39,366	83
Retirement	117,773	117,773	117,742	31
Life and health insurance	165,490	165,490	165,452	38
<b>Total personnel services</b>	<u>860,683</u>	<u>860,683</u>	<u>860,494</u>	<u>189</u>

(Continued)

**TAYLOR COUNTY, FLORIDA  
TAX COLLECTOR  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating expenses</b>				
Education	\$ 1,350	\$ 1,350	\$ 1,340	\$ 10
Legal ads	54,000	54,000	53,973	27
Professional services	4,775	4,775	4,773	2
Other contractual services	30,450	30,450	30,423	27
Travel and per diem	3,539	3,539	3,528	11
Communications	5,376	5,376	5,302	74
Transportation	20,600	20,600	20,598	2
Rentals and leases	2,490	2,490	2,482	8
Insurance	750	750	708	42
Repairs and maintenance	22,135	22,135	21,974	161
Office supplies	34,714	34,714	34,079	635
Books, publications, and subscriptions	2,500	2,500	2,411	89
<b>Total operating expenses</b>	<u>182,679</u>	<u>182,679</u>	<u>181,591</u>	<u>1,088</u>
<b>Capital outlay</b>				
Equipment	2,255	2,255	2,995	-
<b>Total expenditures</b>	<u>1,045,617</u>	<u>1,045,617</u>	<u>1,045,080</u> (1,045,080)	<u>1,277</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(283,614)</u>	<u>(277,578)</u>	<u>(207,295)</u>	<u>70,283</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Board of County Commissioners	283,614	283,614	207,295	(70,283)
<b>Total other financing sources (uses)</b>	<u>283,614</u>	<u>283,614</u>	<u>207,295</u>	<u>(70,283)</u>
<b>Net change in fund balance</b>	-	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

**AGENCY FUNDS**

**TAYLOR COUNTY, FLORIDA  
TAX COLLECTOR  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Fiscal Year Ended September 30, 2019**

	Balance September 30, 2018	Additions	Deductions	Balance September 30, 2019
<b>TAX FUND ACCOUNT</b>				
<b>Assets</b>				
Cash	\$ 372,951	\$ 25,930,983	\$ 25,920,703	\$ 383,231
Other receivables	10,071	1,336,107	1,325,879	20,299
Due from other funds	12,661	-	12,661	-
<b>Total assets</b>	<b>\$ 395,683</b>	<b>\$ 27,267,090</b>	<b>\$ 27,259,243</b>	<b>\$ 403,530</b>
<b>Liabilities</b>				
Advalorem taxes payable	\$ -	\$ 22,655,196	\$ 22,655,196	\$ -
Due to other funds	-	33,894	33,894	-
Due to other governmental units	88,485	91,619	177,485	2,619
Delinquent taxes and fees payable	3,339	640,763	631,380	12,722
Installments and taxes payable	289,473	3,374,926	3,298,915	365,484
Other current liabilities	14,386	33,614,528	33,606,209	22,705
<b>Total liabilities</b>	<b>\$ 395,683</b>	<b>\$ 60,410,926</b>	<b>\$ 60,403,079</b>	<b>\$ 403,530</b>
<b>TAG AGENCY</b>				
<b>Assets</b>				
Cash	\$ -	\$ 10,450,372	\$ 10,448,311	\$ 2,061.00
Due from individuals	24,617	2,058,985	2,060,409	23,193
<b>Total assets</b>	<b>\$ 24,617</b>	<b>\$ 12,509,357</b>	<b>\$ 12,508,720</b>	<b>\$ 25,254</b>
<b>Liabilities</b>				
Due to other funds	\$ 12,661	\$ 1,342,700	\$ 1,355,361	\$ -
Due to other governmental units	19	5,439,648	5,433,637	6,030
Other current liabilities	11,937	6,971,320	6,964,033	19,224
<b>Total liabilities</b>	<b>\$ 24,617</b>	<b>\$ 13,753,668</b>	<b>\$ 13,753,031</b>	<b>\$ 25,254</b>
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 372,951	\$ 36,381,355	\$ 36,369,014	\$ 385,292
Other receivables	34,688	3,395,092	3,386,288	43,492
Due from other funds	12,661	-	12,661	-
<b>Total assets</b>	<b>\$ 420,300</b>	<b>\$ 39,776,447</b>	<b>\$ 39,767,963</b>	<b>\$ 428,784</b>
<b>Liabilities</b>				
Advalorem taxes payable	\$ -	\$ 22,655,196	\$ 22,655,196	\$ -
Due to other funds	12,661	1,376,594	1,389,255	-
Due to other governmental units	88,504	5,531,267	5,611,122	8,649
Delinquent taxes and fees payable	3,339	640,763	631,380	12,722
Installments and taxes payable	289,473	3,374,926	3,298,915	365,484
Other current liabilities	26,323	40,585,848	40,570,242	41,929
<b>Total liabilities</b>	<b>\$ 420,300</b>	<b>\$ 74,164,594</b>	<b>\$ 74,156,110</b>	<b>\$ 428,784</b>

See notes to financial statements.

## **COMPLIANCE SECTION**

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

To the Tax Collector  
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Tax Collector as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Taylor County Tax Collector's special purpose financial statements, and have issued our report thereon dated January 27, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Taylor County Tax Collector's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Taylor County Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Taylor County Tax Collector's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Taylor County Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an

opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

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

**POWELL & JONES**  
Certified Public Accountants  
January 27, 2020



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

Honorable Tax Collector  
Taylor County, Florida

We have audited the financial statements of the Taylor County Tax Collector, as of and for the year ended September 30, 2019, and have issued our report thereon dated January 27, 2020.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated January 27, 2020. Disclosures in that report should be considered in conjunction with this management letter.

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

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

**FINANCIAL COMPLIANCE MATTERS**

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Taylor County, Florida, for the year ended September 30, 2019. The financial statements of the Tax Collector are combined with other County agencies in that report.

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

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

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.554(1)(f).

## **CONCLUSION**

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

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

**POWELL & JONES**  
Certified Public Accountants  
January 27, 2020

## INDEPENDENT ACCOUNTANT'S REPORT

To The Tax Collector  
Taylor County, Florida

We have examined the Taylor County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

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

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



**POWELL & JONES**  
Certified Public Accountants  
January 27, 2020