

GILCHRIST COUNTY, FLORIDA
FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2020

**GILCHRIST COUNTY, FLORIDA
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SEPTEMBER 30, 2020**

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INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gilchrist County, Florida (the County), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Gilchrist County, Florida, as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

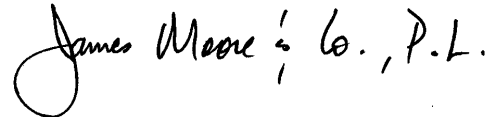
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining general fund and nonmajor fund financial statements, fiduciary fund schedule, and schedule of expenditures of federal awards and state financial assistance, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes, *Florida Single Audit Act*; and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining general fund, nonmajor fund, and fiduciary fund schedules, and schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looped initial "J".

Gainesville, Florida
May 12, 2021

Gilchrist County, Florida
Management's Discussion and Analysis
(Unaudited)

Gilchrist County, Florida's (the "County") discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activity, (c) identify changes in the County's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the County's financial statements which follow this discussion.

Financial Highlights

- The assets of the County exceeded its liabilities at September 30, 2020, by \$24,615,723 (net position). Of this amount unrestricted net position amounted to \$(741,719) due to the County recording its proportionate share of the Florida Retirement System's net pension liability of \$18,771,850.
- The County's long-term debt obligations decreased by \$378,665 due to regular scheduled loan payments. Additional debt issuance for \$475,000 were contracted for Transportation Equipment and Courthouse window and roof repairs.
- As of September 30, 2020, the County's governmental funds reported combined ending fund balances of \$14,878,086. Fund balances saw an increase of \$2,056,494 when compared to the prior year.
- The County purchased capital assets of buildings, improvements, infrastructure, and equipment in the amount of \$951,549.

Using This Annual Report

The financial statement's focus is on both the County as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the County's accountability.

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The focus is on "activities", rather than "fund types".

The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. The focus of the Statement of Net Position is designed to be similar to bottom line results for the County and its governmental activities. This statement combines and consolidates governmental fund current resources (short-term spendable resources) with capital assets and long-term obligations. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services.

Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions. The governmental activities of the County include general government, court system, law enforcement, county jail, emergency medical services, emergency management functions, solid waste services, road and street improvements and recreation projects.

The government-wide financial statements include only Gilchrist County, Florida, which is known as the primary government.

The government-wide financial statements can be found following this discussion.

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the major funds. Information is presented for the non-major funds in the Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances.

The County adopts an annual appropriated budget for all of its governmental funds, as required by state law. The County has three major governmental funds. A listing and description of the major funds is provided in the notes to financial statements. Budgetary comparison statements have been provided for the major funds to demonstrate compliance with the budget. In addition, the financial statements provide budget to actual comparisons for the non-major funds.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for governmental funds. The County's main fiduciary activity is the accounting for agency funds. The County collects monies for property taxes, traffic fines and other monies to be remitted to other governmental agencies.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They can be found following this discussion.

Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)

Government-Wide Financial Analysis

Statement of Net Position

The following table reflects the condensed Statement of Net Position for the current year as compared to the prior year. For more detailed information see the Statement of Net Position.

	2020	2019
	<u>Governmental Activities</u>	
Current and other assets	\$ 16,204,937	\$ 14,608,421
Capital assets, net	25,246,766	27,027,392
Total assets	41,451,703	41,635,813
Deferred outflows	6,612,381	5,879,091
Other liabilities	1,266,498	1,695,172
Long-term liabilities	21,552,026	17,794,669
Total liabilities	22,818,524	19,489,841
Deferred inflows	629,837	1,196,782
Net position:		
Net investment in capital assets	23,626,292	25,503,253
Restricted	1,731,150	1,641,057
Unrestricted	(741,719)	(316,029)
Total net position	\$ 24,615,723	\$ 26,828,281

The majority of the County's net position reflects its investment in capital assets (e.g. land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these assets to provide services to its 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.

Of the remaining balances, \$(875,679) is unrestricted net position and \$1,731,150 is restricted net position that is constrained by grant agreements, Florida Statutes or enabling legislation.

Significant increases in net pension liabilities shown above are the result of recording the County's proportionate share of the Florida Retirement System's net pension liability.

Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)

Government-Wide Financial Analysis

Statement of Activities

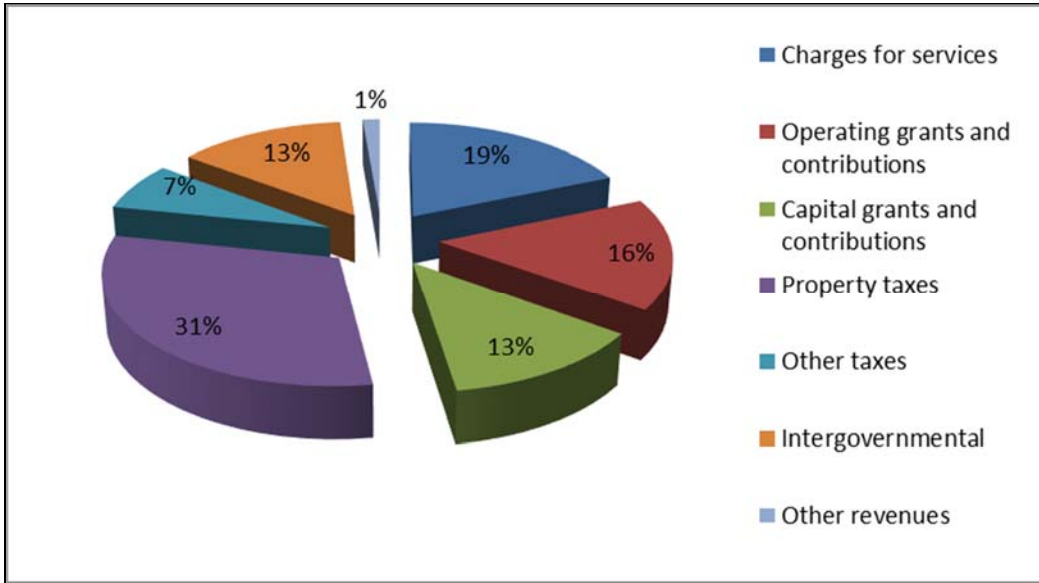
The following table reflects the condensed Statement of Activities for the current year as compared to the prior year. For more detailed information see the Statement of Activities.

	2020	2019
	<u>Governmental Activities</u>	
Program revenues:		
Charges for services	\$ 4,754,769	\$ 4,732,213
Operating grants and contributions	4,155,775	2,856,244
Capital grants and contributions	3,237,734	5,218,170
General revenues:		
Property taxes	7,799,293	7,546,241
Other taxes	1,797,407	1,651,014
Intergovernmental	3,418,118	3,416,689
Other revenues	347,476	444,400
Total revenues	25,510,572	25,864,971
Expenses:		
General government	5,907,035	4,541,635
Public safety	11,405,018	11,015,558
Physical environment	1,430,838	1,379,427
Transportation	5,904,978	6,515,028
Economic environment	481,417	678,417
Human services	771,677	763,355
Culture and recreation	792,714	696,153
Court related	982,166	1,057,242
Interest on long-term debt	47,287	56,519
Total expenses	27,723,130	26,703,334
Change in net position	(2,212,558)	(838,363)
Net position - beginning of year, as restated	26,828,281	27,666,644
Net position - end of year	\$ 24,615,723	\$ 26,828,281

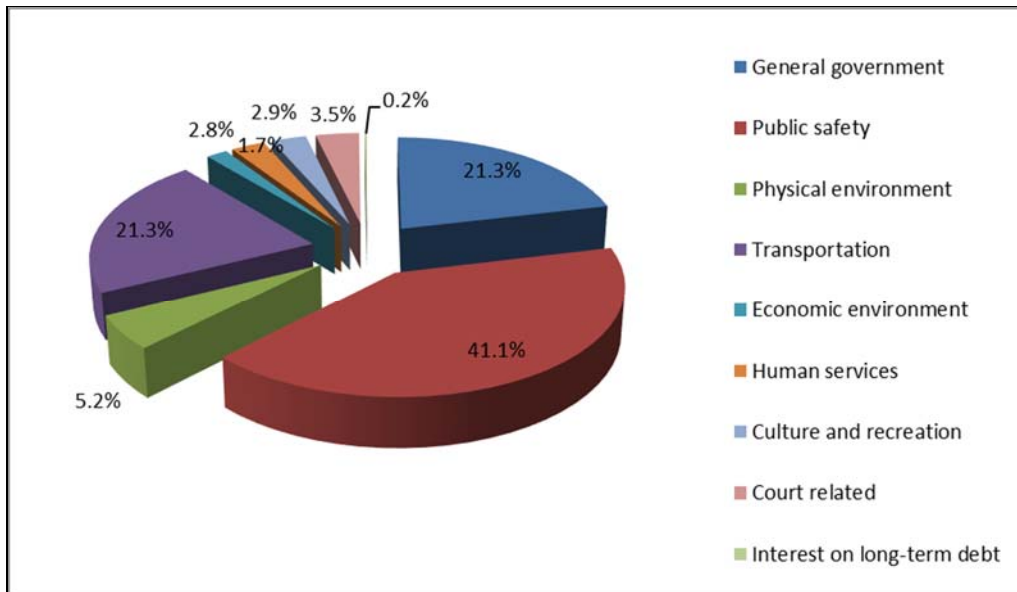
Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)

Government-Wide Financial Analysis

Revenue by Source – Governmental Activities



Expense by Function/Program – Governmental Activities



Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)

Financial Analysis of the County's Funds

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

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements.

As of September 30, 2020, the County's governmental funds reported combined ending fund balances of \$14,878,086, an increase of \$2,056,494 in comparison with the prior year. Of the ending fund balance, \$10,760,256 is considered unassigned and can be spent at the discretion of the Board and \$1,731,150 is considered restricted, which represents the ending fund balances of the County's special revenue funds and court related funds.

The General Fund is the chief operating fund of the County. At September 30, 2020, the unassigned fund balance of the General Fund was \$10,626,296. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 65.1% of total General Fund expenditures. The General Fund received CARES Act Funding in the amount of \$1,148,957. As of September 30, 2020, the fund balance of the General Fund increased by \$1,808,232 when compared to the prior fiscal year ending fund balance due to transfers .

The Emergency Medical Services (EMS) Fund is used to account for revenues and expenditures related to ambulance services for county residents. During the current fiscal year, the Emergency Medical Service's fund balance increased by \$507,874. The increase can be attributed to the County receiving CARES funding in the amount of \$808,907. The ending fund balance of the EMS Fund was \$1,181,980.

The State Housing Initiatives Partnership (SHIP) Fund is used to account for state grant funds used for housing assistance for qualified County residents. During the current fiscal year, the State Housing Initiative Partnership fund balance increased by \$67,877. Most of the increase was attributed to recapture funding from previous participants who reimbursed the unamortized portion of grant funds. During the current fiscal year, the County received \$50,800 in recapture funds.

Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)

Financial Analysis of the County's Funds (continued)

General Fund Budgetary Highlights

Significant variations between original and final budget amounts were due to revenues received that were unanticipated in the original budget and the associated expenditures.

Actual expenditures in the general fund were \$2,540,854 less than final budget amounts. The main reason for this is conservative spending.

Capital Assets

The County's balance in capital assets for its governmental type activities as of September 30, 2020, amounted to \$25,246,766 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, infrastructure and equipment.

Major capital assets added during the current fiscal year included the following:

- Paving NE 2nd Way cost \$982,000.

The following is a summary of the County's capital assets:

	Governmental Activities	
	2020	2019
Land	\$ 1,301,695	\$ 1,293,695
Buildings, net	7,403,145	7,965,784
Infrastructure, net	11,088,402	11,035,121
Improvements, net	2,411,607	2,534,170
Equipment, net	1,968,382	2,208,005
Construction in Progress	1,073,535	1,990,617
 Total	 \$ 25,246,766	 \$ 27,027,392

Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)

Financial Analysis of the County's Funds (concluded)

Long-Term Debt

A summary of long-term liabilities, including debt obligations of the County and other long-term liabilities follows:

	Governmental Activities	
	2020	2019
Notes payable	\$ 1,620,474	\$ 1,505,045
Capital leases	-	19,094
Landfill post-closure care	42,206	41,500
Compensated absences	977,520	891,442
Net pension liability	18,771,850	15,185,607
Total OPEB liability	139,976	151,981
 Total	 \$ 21,552,026	 \$ 17,794,669

Additional information on the County's long-term debt can be found in the Notes to the Financial Statements in this report.

Economic Factors and Next Year's Budget

There are many challenges facing local governments today. The County continues to see increases in state mandated expenditures without increases in state revenue. Unfortunately, this trend is expected to continue. Conversely, mandated expenditures, such as retirement expense, have, and are expected to continue to increase.

Requests for Information

This financial report is designed to provide a general overview of Gilchrist County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Gilchrist County Clerk of Court, Finance Department. P. O. Box 37, Trenton, Florida 32693.

**GILCHRIST COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 8,717,159
Investments	3,315,690
Accounts receivable, net	328,043
Due from other governments	3,798,441
Due from fiduciary funds	27,963
Inventory	17,091
Prepaid expenses	550
Capital assets:	
Non-depreciable	2,375,230
Depreciable, net	22,871,536
Total assets	\$ 41,451,703
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	\$ 6,465,821
Deferred outflows related to OPEB	146,560
Total deferred outflows of resources	\$ 6,612,381
LIABILITIES	
Accounts payable and accrued liabilities	\$ 1,057,988
Due to other governments	40,362
Unearned revenue	168,148
Noncurrent liabilities:	
Due within one year	602,499
Due in more than one year	2,037,701
Total OPEB liability	139,976
Net pension liability	18,771,850
Total liabilities	\$ 22,818,524
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	\$ 626,688
Deferred inflows related to OPEB	3,149
Total deferred inflows of resources	\$ 629,837
NET POSITION	
Net investment in capital assets	\$ 23,626,292
Restricted for:	
Law enforcement	230,300
Fire and EMS	488,172
Solid waste	254,728
Roads and transportation	105,892
Economic environment	96,942
Court related	553,543
Capital improvements	1,573
Unrestricted	(741,719)
Total net position	\$ 24,615,723

The accompanying notes to financial statements
are an integral part of this statement.

**GILCHRIST COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
General government	\$ 5,907,035	\$ 455,309	\$ 2,192,999	\$ 8,867	\$ (3,249,860)
Public safety	11,405,018	2,616,309	260,909	-	(8,527,800)
Physical environment	1,430,838	735,188	296,724	-	(398,926)
Transportation	5,904,978	34,258	643,831	3,228,867	(1,998,022)
Economic environment	481,417	50,800	377,209	-	(53,408)
Human services	771,677	-	30,329	-	(741,348)
Culture and recreation	792,714	574,931	55,460	-	(162,323)
Court related	982,166	287,974	298,314	-	(395,878)
Interest on long-term debt	47,287	-	-	-	(47,287)
Total	<u>27,723,130</u>	<u>4,754,769</u>	<u>4,155,775</u>	<u>3,237,734</u>	<u>(15,574,852)</u>
Total primary government	<u>\$ 27,723,130</u>	<u>\$ 4,754,769</u>	<u>\$ 4,155,775</u>	<u>\$ 3,237,734</u>	<u>(15,574,852)</u>
General revenues:					
Property taxes					7,799,293
Sales taxes					1,125,537
Gas taxes					486,075
Tourist development tax					109,126
Communications service tax					76,669
Intergovernmental					3,418,118
Investment income					238,765
Miscellaneous					108,711
Total general revenues					<u>13,362,294</u>
Change in net position					<u>(2,212,558)</u>
Net position - beginning of year					26,828,281
Net position - end of year					<u>\$ 24,615,723</u>

The accompanying notes to financial statements
are an integral part of this statement.

**GILCHRIST COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	<u>General Fund</u>	<u>EMS</u>	<u>SHIP</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 6,154,432	\$ 380,982	\$ 305,213	\$ 1,876,532	\$ 8,717,159
Investments	2,766,071	79,548	-	470,071	3,315,690
Accounts receivable	7,042	318,982	-	2,019	328,043
Due from other governments	3,205,603	247,874	-	344,964	3,798,441
Inventory	17,091	-	-	-	17,091
Prepaid items	550	-	-	-	550
Due from other funds	139,271	250,206	-	53,123	442,600
Total assets	<u>\$ 12,290,060</u>	<u>\$ 1,277,592</u>	<u>\$ 305,213</u>	<u>\$ 2,746,709</u>	<u>\$ 16,619,574</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities					
Accounts payable and accrued expenses	\$ 892,904	\$ 35,195	\$ 40,473	\$ 89,416	\$ 1,057,988
Due to other governments	14,510	53	-	25,799	40,362
Unearned revenue	-	-	168,148	-	168,148
Due to other funds	291,207	11	-	123,419	414,637
Total liabilities	<u>1,198,621</u>	<u>35,259</u>	<u>208,621</u>	<u>238,634</u>	<u>1,681,135</u>
Deferred inflows of resources					
Unavailable revenues	-	60,353	-	-	60,353
Total deferred inflows of resources	<u>-</u>	<u>60,353</u>	<u>-</u>	<u>-</u>	<u>60,353</u>
Fund balances					
Nonspendable:					
Inventory	17,091	-	-	-	17,091
Prepays	550	-	-	-	550
Restricted for:					
Law enforcement	-	-	-	230,300	230,300
Fire and EMS	-	-	-	488,172	488,172
Physical environment	-	-	-	254,728	254,728
Roads and transportation	-	-	-	105,892	105,892
Economic environment	-	-	96,592	350	96,942
Court related	-	-	-	553,543	553,543
Capital improvements	-	-	-	1,573	1,573
Assigned to:					
Fire and EMS	-	1,181,980	-	-	1,181,980
Roads and transportation	-	-	-	836,081	836,081
Capital improvements	-	-	-	37,436	37,436
Subsequent year's budget	313,542	-	-	-	313,542
Unassigned	10,760,256	-	-	-	10,760,256
Total fund balances	<u>11,091,439</u>	<u>1,181,980</u>	<u>96,592</u>	<u>2,508,075</u>	<u>14,878,086</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 12,290,060</u>	<u>\$ 1,277,592</u>	<u>\$ 305,213</u>	<u>\$ 2,746,709</u>	<u>\$ 16,619,574</u>

The accompanying notes to financial statements
are an integral part of this statement.

GILCHRIST COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Total fund balances - Governmental Funds \$ 14,878,086

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds

Total governmental capital assets - nondepreciable	55,071,339	
Less: accumulated depreciation	<u>(29,824,573)</u>	25,246,766

On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the statement of net position, the net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.

Net pension liability	(18,771,850)	
Deferred outflows related to pensions	6,465,821	
Deferred inflows related to pensions	<u>(626,688)</u>	(12,932,717)

On the governmental fund statements, total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the County's total OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.

Total OPEB liability	(139,976)	
Deferred outflows related to OPEB	146,560	
Deferred inflows related to OPEB	<u>(3,149)</u>	3,435

Because some property taxes and other revenues will not be collected for several months after the close of the County's fiscal year end, they are not considered as "available" revenues in the governmental funds, and therefore, reported as deferred inflows of unavailable revenues. In the statement of net position, which is presented on an accrual basis, no deferral is reported since the revenue is fully recognized in the statement of activities.

60,353

Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:

Notes payable	(1,620,474)	
Landfill closure liability	(42,206)	
Compensated absences	<u>(977,520)</u>	(2,640,200)

Net position of governmental activities \$ 24,615,723

The accompanying notes to financial statements
are an integral part of this statement.

GILCHRIST COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General Fund	EMS	SHIP	Nonmajor Governmental Funds	Total
Revenues					
Taxes	\$ 8,319,231	\$ 791,394	\$ -	\$ 486,075	\$ 9,596,700
Permit, fees, and special assessments	280,754	1,558	-	1,274,633	1,556,945
Intergovernmental	7,908,217	955,024	356,852	1,664,335	10,884,428
Charges for services	1,354,872	873,958	-	548,257	2,777,087
Fines and forfeitures	-	-	-	71,486	71,486
Miscellaneous revenues	543,253	8,300	54,258	49,404	655,215
Total revenues	<u>18,406,327</u>	<u>2,630,234</u>	<u>411,110</u>	<u>4,094,190</u>	<u>25,541,861</u>
Expenditures					
Current:					
General government	3,958,051	-	-	1,045,122	5,003,173
Public safety	6,357,326	1,961,999	-	802,883	9,122,208
Physical environment	417,731	-	-	838,250	1,255,981
Transportation	3,030,109	-	-	1,504,169	4,534,278
Economic environment	84,281	-	343,233	6,650	434,164
Human services	735,700	-	-	-	735,700
Culture and recreation	639,055	-	-	-	639,055
Court related	367,039	-	-	485,777	852,816
Capital outlay	545,622	52,215	-	353,712	951,549
Debt service:					
Principal	40,563	100,317	-	237,785	378,665
Interest	4,429	7,829	-	35,029	47,287
Total expenditures	<u>16,179,906</u>	<u>2,122,360</u>	<u>343,233</u>	<u>5,309,377</u>	<u>23,954,876</u>
Excess (deficiency) of revenues over expenditures	<u>2,226,421</u>	<u>507,874</u>	<u>67,877</u>	<u>(1,215,187)</u>	<u>1,586,985</u>
Other financing sources (uses)					
Transfers in	15,000	-	-	825,167	840,167
Transfers out	(657,603)	-	-	(182,564)	(840,167)
Other external reversion	(586)	-	-	(4,905)	(5,491)
Issuance of debt	225,000	-	-	250,000	475,000
Total other financing sources (uses)	<u>(418,189)</u>	<u>-</u>	<u>-</u>	<u>887,698</u>	<u>469,509</u>
Net change in fund balance	<u>1,808,232</u>	<u>507,874</u>	<u>67,877</u>	<u>(327,489)</u>	<u>2,056,494</u>
Fund balance, beginning of year	9,283,207	674,106	28,715	2,835,564	12,821,592
Fund balance, end of year	<u>\$ 11,091,439</u>	<u>\$ 1,181,980</u>	<u>\$ 96,592</u>	<u>\$ 2,508,075</u>	<u>\$ 14,878,086</u>

The accompanying notes to financial statements
are an integral part of this statement.

GILCHRIST COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balances-total governmental funds \$ 2,056,494

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	957,915
Depreciation expense	(2,698,965)
Net book value of capital assets disposed	(39,576)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Repayment of principal of long-term debt	378,665
Issuance of long-term debt	(475,000)

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

Net change in deferred inflows for unavailable revenues	(31,304)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Changes in:

Compensated absences	(86,078)
Total OPEB liability and related items	160,363
Net pension liability and related items	(2,434,366)
Landfill long-term care costs	(706)

Change in net position of governmental activities \$ (2,212,558)

The accompanying notes to financial statements
are an integral part of this statement.

GILCHRIST COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020

	Agency Funds
ASSETS	
Cash and equivalents	\$ 1,009,592
Receivables	50,058
Total assets	\$ 1,059,650
 LIABILITIES	
Assets held for others	\$ 982,341
Due to other funds	27,963
Due to other governments	49,346
Total liabilities	\$ 1,059,650
 NET POSITION	 \$ -

The accompanying notes to financial statements
are an integral part of this statement.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) Summary of Significant Accounting Policies:

The financial statements of Gilchrist County, Florida (the County), have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles. The following is a summary of the County's significant accounting policies:

(a) **Reporting entity**—The Board of County Commissioners (the Board) is the legislative and governing body of the County. It operates under a non-charter form of government pursuant to the authority provided in the Constitution of the State of Florida and consists of five elected officials. The County was established by the Laws of Florida in 1845. The Clerk of the Circuit Court serves as Clerk to the Board pursuant to Section 125.17, Florida Statutes.

The Board of County Commissioners and the offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The offices of the Sheriff, Property Appraiser, and Supervisor of Elections operate on a budget system, whereby County-appropriated funds are received from the Board of County Commissioners, and any unexpended appropriations are required to be returned to the Board of County Commissioners at the end of the fiscal year. The Clerk's duties as Clerk to the Board, Clerk of the County Court, and Chief Financial Officer for the County are budgeted functions, funded by the Board. The Clerk's duties as Clerk of the Circuit Court are funded by fees collected by that office. The Tax Collector's salary and benefits are funded by the Board; all other expenditures are funded by fees collected by that office. Excess fees of the Tax Collector are returned to the Board at the end of the fiscal year.

(b) **Jointly-governed organizations**—The governments of Lafayette, Dixie, Taylor and Gilchrist Counties established the Three Rivers Regional Library System (the Library) through an interlocal agreement. The Library is an organization established for the purpose of providing a regional approach to library services without regard to political or governmental boundaries. The Library is governed by a governing board made up of a commissioner from each participating County.

The County does not have an ongoing financial interest in the Library. However, the County does have an ongoing financial responsibility to the Library in that the Library's continued existence depends on the County's continuing participation. A copy of the Library's separate financial statements may be obtained from its offices in Mayo, Florida.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:** (Continued)

(c) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) concentrate on the County as a whole. In addition, they report information on all of the non-fiduciary activities of the County. For the most part, the effect of inter-fund activity has been removed from these statements.

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

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

(d) **Measurement focus and basis of accounting**—The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund 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 accounting and financial reporting treatment is determined by the applicable measurement focus and the basis of accounting. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities).

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax and EMS revenues to be available if they are collected within 60 days of the end of the current fiscal period except for grant revenues which are considered earned when expenditures are incurred.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:** (Continued)

Property taxes, special assessments, intergovernmental revenues, charges for services, licenses 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 and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, certain expenditures relating to future periods, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental 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. Additionally, the general fund also accounts for activities related to the general fund of each constitutional officer.

Emergency Medical Services – The Emergency Medical Services fund (a special revenue fund) is used to account for ambulance and emergency medical assistance to County residents.

State Housing Initiatives Partnership (SHIP) Fund – The SHIP fund is used to account for state grant funds to be used for housing assistance.

The County reports the following other fund type:

Special Revenue Funds – Special revenue funds are used to account for the receipt and expenditure of activities with inflows that are either restricted or committed.

Capital Project Funds – Capital project funds are used to account for the underlying activities of major capital projects.

Agency Funds – Agency funds are used to account for assets held by the County in a custodial or trustee capacity (assets equal liabilities). Agency funds do not involve the measurement of results of operations.

(e) **Cash and investments**—The institutions in which the County’s monies are deposited are certified as a “Qualified Public Depository,” as required under the Florida Public Deposits Act. This law requires every qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of an amount to be determined by the State Treasurer and requires the State Treasurer to ensure that funds are entirely collateralized throughout the fiscal year. Therefore, the County’s total deposits are insured by the Federal Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance.

(f) **Receivables**—Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds” and are eliminated in the government-wide financial statements. All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of historical trends.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:** (Continued)

(g) **Capital assets**—Capital assets include property, plant, equipment and infrastructure assets. The terms general capital assets and general infrastructure assets relate only to the assets associated with governmental activities, whereas the terms capital assets and infrastructure assets relate to all such assets belonging to the County. Capital assets are defined by the County as assets with an initial individual cost of \$1,000 or more and an estimated useful life of more than one-year. Such assets are recorded at historical cost, if purchased or constructed. Donated assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are only capitalized if they meet the dollar threshold above for capitalization. Maintenance and repairs of capital assets are charged to operating expenses.

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

Assets	Years
Buildings	30 – 50 years
Improvements	20 – 25 years
Infrastructure	25 – 50 years
Machinery and Equipment	4 – 20 years

(h) **Compensated absences**—The various County agencies maintain policies that permit employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation of service if certain criteria are met. These benefits, plus their related tax and retirement costs, are classified as compensated absences. The policies of the various County agencies vary as to the amount and the vesting of employee vacation leave time and in some instances sick time. The amount of vacation time is determined by the period of employment. The compensated absences liability is primarily liquidated by the general fund.

(i) **Long-term obligations**—In the government-wide financial statements, long-term debt obligations are reported as liabilities on the statement of net position. The compensated absences and net pension liabilities have been liquidated in the past by the reporting units of the underlying employees, including primarily the general fund, with some smaller amounts paid by other governmental funds.

(j) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the only items in this category consist of a deferred loss on bond refunding, and deferred amounts related to pensions and OPEB, as discussed further in Notes (8) and (9), respectively.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of financial position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the only items in this category consist of deferred amounts related to pensions and OPEB, as discussed further in Notes (8) and (9), respectively.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:** (Continued)

(k) **Fund equity**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. The following classifications describe the relative strength of applicable spending constraints:

Nonspendable – amounts not available to be spent or not in spendable form, such as inventory and prepaid items.

Restricted – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts the County intends to use for a specific purpose as expressed at the highest level of decision-making authority by the Board of County Commissioners.

Assigned – amounts the County intends to use for a specific purpose. Intent can be expressed by Board of County Commissioners or by an official or body which the Board delegates authority.

Unassigned – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available; the County considers restricted funds to have been spent first. When 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.

(l) **Property taxes**— Property tax revenues are recognized when levied, to the extent that they result in current receivables. Details of the property tax calendar are presented below:

Lien date	January 1
Levy date	October 1
Discount periods	November – February
No discount period	March
Delinquent date	April 1

(m) **Budgets and budgetary accounting**—Annual budgets are legally adopted by the Board of County Commissioners, on a basis consistent with generally accepted principles for the General Fund and special revenue funds. Formal budgetary integration is employed as a management control device during the year for all governmental funds.

The annual budget is prepared at the fund, department, and division level. The department directors submit requests for appropriations to the Clerk of Courts. The Clerk submits a recommended budget to the Board of County Commissioners. Public hearings on the proposed budget are held in September. On or before October 1, the budget is adopted by the Board of County Commissioners. Transfers between funds and additional appropriations require Board approval. Appropriations in all funds lapse at the close of the fiscal year to the extent that it has not been re-budgeted in the following fiscal year. The fund is the legal level of budgetary control.

(n) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(2) Reconciliation of Government-Wide and Fund Financial Statements:

(a) Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(b) Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

(3) Deposits and Investments:

Florida Statutes authorize the County to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool. As of September 30, 2020, all County deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required if deemed necessary.

The Florida Local Government Investment Trust (FLGIT) is a local government investment pool created by the Florida Association of Court Clerks and the Florida Association of Counties for the purpose of providing public entities with an investment program that focuses on longer term securities with the highest credit ratings. The effective maturity of the underlying investment is five years or less. At year end, the FLGIT was invested in money markets, treasury notes, asset-backed securities and Federal agency obligations. The investment type is subject to some market risk due to fluctuating prices and liquidity risk due to advance redemption notification requirements. However, it has a professional investment advisor and an investment advisory board. The FLGIT maintains a credit rating of AAAM by Fitch's and the weighted average maturity of the funds was 27 days. A copy of FLGIT's most recent financial statements can be found at <http://floridatrusionline.com>. At September 30, 2020, the County had \$3,116,699 invested with FLGIT.

The State Board of Administration PRIME pool (Florida PRIME) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the County's investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. As of September 30, 2020, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value. The weighted average maturity of the fund was 48 days. At September 30, 2020, the County had \$198,991 invested with Florida PRIME.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(3) **Deposits and Investments:** (Continued)

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The County places no limit on the amount that may be invested in any one issuer.

(4) **Interfund Balances and Transfers:**

The County makes routine transfers between its funds in the course of the fiscal year. The principal purposes of these transfers are to allocate resources for debt service, construction or other capital projects, and to provide operating subsidies. These transfers are consistent with the activities of the funds involved. Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and are reported as other financing sources (uses) in the Governmental Funds.

As of September 30, 2020, interfund balances consisted of:

<u>Due to Other Funds</u>	<u>Due from Other Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>EMS</u>	<u>Nonmajor Governmental</u>	
Governmental Funds				
General Fund	\$ -	\$ 250,206	\$ 41,001	\$ 291,207
EMS	11	-	-	11
Nonmajor Governmental	111,297	-	12,122	123,419
Fiduciary Funds	27,963	-	-	27,963
Total	\$ 139,271	\$ 250,206	\$ 53,123	\$ 442,600

Transfers from/to other funds for the year ended September 30, 2020, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>		<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	
Governmental Funds			
General Fund	\$ -	\$ 657,603	\$ 657,603
Nonmajor Governmental	15,000	167,564	182,564
Total	\$ 15,000	\$ 825,167	\$ 840,167

The transfers from the General Fund to other funds were primarily to support operations of other funds and/or to allocate funds for future capital projects.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(5) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2020, was as follows:

<u>Governmental Activities:</u>	<u>Balance 10/1/19</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 9/30/20</u>
Capital assets not being depreciated:				
Land	\$ 1,293,695	\$ 8,000	\$ -	\$ 1,301,695
Construction in progress	1,990,617	65,030	(982,112)	1,073,535
Total capital assets not being depreciated	<u>3,284,312</u>	<u>73,030</u>	<u>(982,112)</u>	<u>2,375,230</u>
Capital assets being depreciated:				
Buildings and improvements	12,510,922	-	(8,000)	12,502,922
Infrastructure - roads	22,435,072	982,112	-	23,417,184
Machinery and equipment	13,540,264	690,521	(1,135,269)	13,095,516
Improvements	3,478,123	202,364	-	3,680,487
Total capital assets being depreciated	<u>51,964,381</u>	<u>1,874,997</u>	<u>(1,143,269)</u>	<u>52,696,109</u>
Less accumulated depreciation For:				
Buildings and improvements	(4,545,138)	(554,639)	-	(5,099,777)
Infrastructure - roads	(11,399,951)	(928,831)	-	(12,328,782)
Machinery and equipment	(11,332,259)	(890,568)	1,095,693	(11,127,134)
Improvements	(943,953)	(324,927)	-	(1,268,880)
Total accumulated depreciation	<u>(28,221,301)</u>	<u>(2,698,965)</u>	<u>1,095,693</u>	<u>(29,824,573)</u>
Total capital assets, net of depreciation	23,743,080	(823,968)	(47,576)	22,871,536
Governmental activities capital assets, net	<u><u>\$ 27,027,392</u></u>	<u><u>\$ (750,938)</u></u>	<u><u>\$ (1,029,688)</u></u>	<u><u>\$ 25,246,766</u></u>

Depreciation expense was charged to programs for the County as follows:

Governmental activities	
General government	\$ 282,204
Public safety	903,643
Physical environment	85,718
Transportation	1,244,078
Economic environment	41,639
Human services	23,558
Culture and recreation	118,125
Total depreciation expense - governmental activities	<u><u>\$ 2,698,965</u></u>

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(6) Long-Term Liabilities:

The following is a summary of changes in long-term debt activity of the County for the year ended September 30, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Notes payable	\$ 1,505,045	\$ 475,000	\$ 359,571	\$ 1,620,474	\$ 284,440
Capital leases	19,094	-	19,094	-	-
Landfill post-closure care	41,500	706	-	42,206	-
Compensated absences	891,442	694,164	608,086	977,520	318,059
Governmental activities - Total Long-Term Liabilities	<u>\$ 2,457,081</u>	<u>\$ 1,169,870</u>	<u>\$ 986,751</u>	<u>\$ 2,640,200</u>	<u>\$ 602,499</u>

Notes Payable

The County is obligated under various long-term note agreements at interest rates ranging from approximately 2.0% to 5.0%.

The notes are expected to be repaid from various sources, including Transportation Trust Fund resources, EMS Fund fees, Solid Waste Fund fees, Fire Districts Fund resources, and General Fund shared revenues and racing tax commissions. The approximate total amount of the pledges is equal to the remaining principal and interest outstanding.

The following schedule provides future debt service requirements of the notes payable:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 284,440	\$ 48,981	\$ 333,421
2022	258,460	41,642	300,102
2023	240,622	33,598	274,220
2024	189,703	26,511	216,214
2025	130,643	20,685	151,328
2026 - 2030	466,332	49,775	516,107
2031 - 2035	50,274	4,802	55,076
Total	<u>\$ 1,620,474</u>	<u>\$ 225,994</u>	<u>\$ 1,846,468</u>

Landfill Post-closure care

The Florida Department of Environmental Protection (DEP) requires landfill owners to perform certain maintenance and monitoring functions at the landfill sites for twenty years after closure. The County was previously released by the DEP from these requirements on its Central Landfill which closed in 1993. The County has accrued \$42,206 for closure costs for its Materials Recovery facility.

DEP also requires the County to deposit in an escrow account, by the end of each fiscal year, funds sufficient to cover closure costs. The County has set aside approximately \$86,565 for that requirement.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(7) Commitments and Contingencies:

Various suits and claims arising in the ordinary course of the County's operations, some of which involve substantial amounts, are pending against the County.

The ultimate effect of such litigation cannot be ascertained at this time. However, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the County or the results of its operations, nor is it anticipated that any material amount will be paid for claims and judgments in the next fiscal year.

During and through the end of the fiscal year ended September 30, 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending and investment markets have been substantially impacted. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the County as of May 12, 2021, management believes that a material impact on County's financial position and results of future operations is reasonably possible.

(8) Employees' Retirement Plans:

Florida Retirement System

Plan Description and Administration

The County participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the County's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs.

These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(8) **Employees' Retirement Plans:** (Continued)

Benefits Provided and Employees Covered

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

Financial Statements

Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services
Division of Retirement, Research and Education Services
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(8) **Employees' Retirement Plans:** (Continued)

Contributions

The County participates in certain classes of FRS membership. Each class has descriptions and contribution rates in effect at September 30, 2020, as follows (contribution rates are in agreement with the actuarially determined rates):

<u>FRS Membership Plan & Class</u>	<u>Through June 30, 2020</u>	<u>After June 30, 2020</u>
Regular Class	8.47%	10.00%
Senior Management	25.41%	27.29%
Special Risk	25.48%	24.45%
Elected Official	48.82%	49.18%
DROP	14.60%	16.98%

Current-year employer HIS contributions were made at a rate of 1.66% of covered payroll.

For the plan year ended June 30, 2020, actual contributions made for employees participating in FRS and HIS were as follows:

Entity Contributions – FRS	\$ 1,232,646
Entity Contributions – HIS	127,072
Employee Contributions – FRS	229,649

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At September 30, 2020, the entity reported a liability related to FRS and HIS as follows:

<u>Plan</u>	<u>Net Pension Liability</u>
FRS	\$ 16,079,398
HIS	2,692,452
Total	<u>\$ 18,771,850</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2020 and June 30, 2019, the County's proportionate share of the FRS and HIS net pension liabilities were as follows:

<u>Plan</u>	<u>2020</u>	<u>2019</u>
FRS	0.037099334%	0.036662746%
HIS	0.022051500%	0.022874858%

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(8) **Employees' Retirement Plans:** (Continued)

For the year ended June 30, 2020, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	\$ 3,574,112
HIS	237,818
Total	\$ 3,811,930

Deferred outflows/inflows related to pensions:

At September 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 615,391	\$ -	\$ 110,138	\$ (2,077)
Changes of assumptions	2,910,883	-	289,515	(156,556)
Net different between projected and actual investment earnings	957,383	-	2,150	-
Change in proportionate share	994,381	(322,981)	233,445	(145,074)
Contributions subsequent to measurement date	320,396	-	32,139	-
	\$ 5,798,434	\$ (322,981)	\$ 667,387	\$ (303,707)

The above amounts for deferred outflows of resources for contributions related to pensions resulting from County contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended September 30, 2021.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

2021	\$ 1,184,989
2022	1,672,496
2023	1,405,371
2024	911,010
2025	284,329
Thereafter	28,403
Total	\$ 5,486,598

Actuarial assumptions:

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(8) **Employees' Retirement Plans:** (Continued)

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS investments is 6.80%. This rate decreased from the prior year rate, which was 6.90%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.21% was used to determine the total pension for the program. This rate decreased from the prior year rate, which was 3.50%. Mortality assumptions for both plans were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 details.

Long-term expected rate of return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2020, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. 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. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Expected Rate of Return</u>
Cash	1.0%	2.2%
Fixed income	19.0%	3.0%
Global equities	54.2%	8.0%
Real estate	10.3%	6.4%
Private equity	11.1%	10.8%
Strategic investments	4.4%	5.5%
Total	<u>100.0%</u>	

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(8) **Employees' Retirement Plans:** (Continued)

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the proportionate shares of the FRS and HIS net pension liability of the entity calculated using the current discount rates, as well as what the entity's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.80%	\$ 25,676,097	\$ 16,079,398	\$ 8,064,194
HIS	2.21%	3,112,355	2,692,452	2,348,763

(9) **Other Post-Employment Benefits (OPEB):**

Plan Description and Benefits Provided—The Board of County Commissioners' Other Post-Employment Benefit (OPEB) Plan is a single-employer benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees actually have a higher cost which means the County is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee. GASB No. 75 calls this the "implicit rate subsidy." This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The Other Post-Employment Benefit Plan does not issue a stand-alone report.

Plan Membership—At October 1, 2019, the date of the latest actuarial valuation, plan participation consisted of the following:

Active Employees	171
Inactive Employees	2
	173

Total OPEB Liability—The County's total OPEB liability of \$139,976 was measured as of September 30, 2020, and was determined by an actuarial valuation at October 1, 2019.

Actuarial Assumptions and Other Inputs—The total OPEB liability at the September 30, 2020 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Inflation	2.00%
Salary increases	3.00%
Discount rate	3.68%
Healthcare cost trend rate	6.5% reduced 0.5% each year until reaching ultimate trend rate of 5.0%

The County does not have a dedicated Trust to pay retiree healthcare benefits. The discount rate was based on the 20-year municipal bond index (SAPIGH) as of September 30, 2020.

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table with 10 year Scale AA projection.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(9) **Other Post-Employment Benefits (OPEB):** (Continued)

Changes in the OPEB liability for the fiscal year ended September 30, 2020, were as follows:

	Total OPEB Liability
Balance at September 30, 2019	\$ 151,533
Changes for a year:	
Service cost	7,512
Interest	5,572
Difference between projected and actual experience	82,113
Assumption changes	15,306
Benefit payments – implicit rate subsidy	(122,060)
Net changes	(11,557)
Balance at September 30, 2020	\$ 139,976

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

The following presents the total OPEB liability of the County calculated using the discount rate of 3.68%, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.68%) or 1% higher (4.68%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 150,131	\$ 139,976	\$ 130,012

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

The following presents the total OPEB liability of the County as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.0%) or 1% higher (7.0%) than the current healthcare cost trend rates (6.0%):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 131,160	\$ 139,976	\$ 147,593

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2020, the County recognized OPEB expense of \$151,038. At September 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 134,037	\$ -
Changes of assumptions	12,523	(3,149)
Total	\$ 146,560	\$ (3,149)

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(9) **Other Post-Employment Benefits (OPEB):** (Continued)

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

<u>Year ended September 30:</u>	<u>Amortization</u>
2021	\$ 31,670
2022	31,670
2023	31,670
2024	32,117
2025	16,284
Total	<u>\$ 143,411</u>

(10) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates, as adjusted based on the impacts of GASB Statement No. 95, effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the County's financial statements:

- (a) GASB issued Statement No. 84, *Fiduciary Activities*, in January 2017. GASB 84 improves guidance regarding the identification and reporting of fiduciary activities. The provisions in GASB 84 are effective for periods beginning after December 15, 2019.
- (b) GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.
- (c) GASB issued Statement No. 90, *Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61*, in August 2018. GASB 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The provisions in GASB 90 are effective for periods beginning after December 15, 2019.
- (d) GASB issued Statement No. 91, *Conduit Debt Obligations*, in May 2019. GASB 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The provisions in GASB 91 are effective for periods beginning after December 15, 2021.
- (e) GASB issued Statement No. 92, *Omnibus* in January 2020. GASB 92 provides for comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The provisions in GASB 92 are effective for periods beginning after June 15, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

GILCHRIST COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 8,234,034	\$ 8,234,034	\$ 8,319,231	\$ 85,197
Permit, fees, and special assessments	215,400	215,400	280,754	65,354
Intergovernmental	7,836,042	7,836,042	7,908,217	72,175
Charges for services	1,201,437	1,201,437	1,354,872	153,435
Fines and forfeitures	500	500	-	(500)
Miscellaneous revenues	445,021	445,021	543,253	98,232
Total revenues	<u>17,932,434</u>	<u>17,932,434</u>	<u>18,406,327</u>	<u>473,893</u>
Expenditures				
Current:				
General government	5,320,216	5,086,984	3,958,051	1,128,933
Public safety	6,431,168	6,431,250	6,357,326	73,924
Physical environment	459,719	459,719	417,731	41,988
Transportation	3,300,000	3,300,000	3,030,109	269,891
Economic environment	167,322	167,322	84,281	83,041
Human services	795,272	795,272	735,700	59,572
Culture and recreation	568,215	568,215	639,055	(70,840)
Court related	513,843	476,887	367,039	109,848
Capital outlay	1,119,562	1,390,865	545,622	845,243
Debt service:				
Principal	39,823	39,823	40,563	(740)
Interest	4,423	4,423	4,429	(6)
Total expenditures	<u>18,719,563</u>	<u>18,720,760</u>	<u>16,179,906</u>	<u>2,540,854</u>
Excess (deficiency) of revenues over expenditures	<u>(787,129)</u>	<u>(788,326)</u>	<u>2,226,421</u>	<u>3,014,747</u>
Other financing sources (uses)				
Transfers in	-	-	15,000	15,000
Transfers out	(626,603)	(626,603)	(657,603)	(31,000)
Article V reversion	-	-	(586)	(586)
Loan proceeds	405,000	405,000	225,000	(180,000)
Total other financing sources (uses)	<u>(221,603)</u>	<u>(221,603)</u>	<u>(418,189)</u>	<u>(196,586)</u>
Net change in fund balance	<u>(1,008,732)</u>	<u>(1,009,929)</u>	<u>1,808,232</u>	<u>2,818,161</u>
Fund balance, beginning of year	9,283,207	9,283,207	9,283,207	-
Fund balance, end of year	<u>\$ 8,274,475</u>	<u>\$ 8,273,278</u>	<u>\$ 11,091,439</u>	<u>\$ 2,818,161</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

GILCHRIST COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - EMERGENCY MEDICAL SERVICES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 806,153	\$ 806,153	\$ 791,394	\$ (14,759)
Permit, fees, and special assessments	-	-	1,558	1,558
Intergovernmental	76,600	76,600	955,024	878,424
Charges for services	1,007,000	1,007,000	873,958	(133,042)
Miscellaneous revenues	490	490	8,300	7,810
Total revenues	1,890,243	1,890,243	2,630,234	739,991
Expenditures				
Current:				
General government	216,957	216,957	-	216,957
Public safety	1,782,581	1,782,690	1,961,999	(179,309)
Capital outlay	27,000	27,000	52,215	(25,215)
Debt service:				
Principal	99,107	99,107	100,317	(1,210)
Interest	11,558	11,558	7,829	3,729
Total expenditures	2,137,203	2,137,312	2,122,360	14,952
Net change in fund balance	(246,960)	(247,069)	507,874	754,943
Fund balance, beginning of year	674,106	674,106	674,106	-
Fund balance, end of year	\$ 427,146	\$ 427,037	\$ 1,181,980	\$ 754,943

The accompanying notes to required supplementary information are an integral part of this schedule.

GILCHRIST COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SHIP FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 350,000	\$ 350,000	\$ 356,852	\$ 6,852
Miscellaneous revenues	500	500	54,258	53,758
Total revenues	<u>350,500</u>	<u>350,500</u>	<u>411,110</u>	<u>60,610</u>
Expenditures				
Current:				
Economic environment	350,000	350,000	343,233	6,767
Total expenditures	<u>350,000</u>	<u>350,000</u>	<u>343,233</u>	<u>6,767</u>
Net change in fund balance	<u>500</u>	<u>500</u>	<u>67,877</u>	<u>67,377</u>
Fund balance, beginning of year	28,715	28,715	28,715	-
Fund balance, end of year	<u><u>\$ 29,215</u></u>	<u><u>\$ 29,215</u></u>	<u><u>\$ 96,592</u></u>	<u><u>\$ 67,377</u></u>

The accompanying notes to required supplementary information are an integral part of this schedule.

GILCHRIST COUNTY, FLORIDA
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
SEPTEMBER 30, 2020
(UNAUDITED)

Note to Budgetary Comparison Schedules:

The preparation, adoption and amendment of the budgets are governed by Florida Statutes. The fund is the legal level of control. Budgets are prepared on a basis that does not differ materially from generally accepted accounting principles (GAAP). Appropriations lapse at year-end. Budgeted excess expenditures over revenues are funded through transfers in and use of fund balance reserves.

GILCHRIST COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS
(UNAUDITED)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 10,260	\$ 7,512	\$ 8,003
Interest	5,226	5,572	5,204
Changes of assumptions	-	-	(4,947)
Benefit payments - implicit rate subsidy	(6,161)	(12,636)	(15,155)
Other changes	(12,005)	-	-
Net change in total OPEB liability	<u>(2,680)</u>	<u>448</u>	<u>(6,895)</u>
Total OPEB liability - beginning of year	151,981	151,533	158,428
Total OPEB liability - end of year	<u><u>\$ 149,301</u></u>	<u><u>\$ 151,981</u></u>	<u><u>\$ 151,533</u></u>
Covered payroll	\$ 7,651,920	\$ 7,874,524	\$ 7,130,016
Total OPEB liability as a percentage of covered payroll	1.95%	1.93%	2.13%

Notes to Schedule:

Changes of assumptions. Changes of assumptions and other changes reflect the effects of changes in the discount rate each period. The

Discount rate	3.68%	3.74%	3.36%
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*10 years of data will be presented as it becomes available.

GILCHRIST COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS
(UNAUDITED)

	As of the Plan Year Ended June 30,					
	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)						
Proportion of the net pension liability	0.037099334%	0.036662746%	0.033407453%	0.033119964%	0.031670351%	0.031370689%
Proportionate share of the net pension liability	\$ 16,079,398	\$ 12,626,139	\$ 10,062,498	\$ 9,796,663	\$ 7,996,789	\$ 4,051,945
Covered payroll	7,654,967	7,651,920	6,683,209	6,729,932	6,178,688	6,277,264
Proportionate share of the net pension liability as a percentage of covered payroll	210.05%	165.01%	150.56%	145.57%	129.43%	64.55%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program (HIS)						
Proportion of the net pension liability	0.022051500%	0.022874858%	0.020947643%	0.020442731%	0.020106105%	0.020906499%
Proportionate share of the net pension liability	\$ 2,692,452	\$ 2,559,468	\$ 2,217,123	\$ 2,185,831	\$ 2,343,283	\$ 2,132,135
Covered payroll	7,654,967	7,651,920	6,683,209	6,729,932	6,178,688	6,277,264
Proportionate share of the net pension liability as a percentage of covered payroll	35.17%	33.45%	33.17%	32.48%	37.93%	33.97%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

**GILCHRIST COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS
(UNAUDITED)**

	As of the Plan Year Ended June 30,					
	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)						
Contractually required contribution	\$ 1,232,646	\$ 1,136,810	\$ 952,086	\$ 862,194	\$ 810,666	\$ 1,942,425
Contributions in relation to the contractually required contribution	(1,232,646)	(1,136,810)	(952,086)	(862,194)	(810,666)	(1,942,425)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 7,654,967	\$ 7,651,920	\$ 6,683,209	\$ 6,729,932	\$ 6,178,688	\$ 6,277,264
Contributions as a percentage of covered payroll	16.10%	14.86%	14.25%	12.81%	13.12%	30.94%
Health Insurance Subsidy Program (HIS)						
Contractually required contribution	\$ 127,072	\$ 127,022	\$ 110,941	\$ 111,717	\$ 102,566	\$ 79,094
Contributions in relation to the contractually required contribution	(127,072)	(127,022)	(110,941)	(111,717)	(102,566)	(79,094)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 7,654,967	\$ 7,651,920	\$ 6,683,209	\$ 6,729,932	\$ 6,178,688	\$ 6,277,264
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.26%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which

SUPPLEMENTAL INFORMATION

**GILCHRIST COUNTY, FLORIDA
COMBINING BALANCE SHEET
BOARD AND OFFICER GENERAL FUNDS
SEPTEMBER 30, 2020**

	Board of County Commissioners	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
ASSETS									
Cash and cash equivalents	\$ 5,582,591	\$ 44,062	\$ 437,433	\$ 43,898	\$ 34,733	\$ 11,715	\$ 6,154,432	\$ -	\$ 6,154,432
Investments	2,766,071	-	-	-	-	-	2,766,071	-	2,766,071
Accounts receivable	7,042	-	-	-	-	-	7,042	-	7,042
Due from other governments	3,160,705	-	16,985	-	-	27,913	3,205,603	-	3,205,603
Inventory	17,091	-	-	-	-	-	17,091	-	17,091
Prepaid items	-	-	-	-	550	-	550	-	550
Due from constitutional officers	155,391	-	-	-	-	-	155,391	(155,391)	-
Due from other funds	119,347	200	-	-	-	-	119,547	19,724	139,271
Total assets	<u>\$ 11,808,238</u>	<u>\$ 44,262</u>	<u>\$ 454,418</u>	<u>\$ 43,898</u>	<u>\$ 35,283</u>	<u>\$ 39,628</u>	<u>\$ 12,425,727</u>	<u>\$ (135,667)</u>	<u>\$ 12,290,060</u>
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable and accrued expenses	\$ 424,959	\$ 41,671	\$ 408,777	\$ -	\$ 8,374	\$ 9,123	\$ 892,904	\$ -	\$ 892,904
Due to other governments	1,163	-	12,761	-	586	-	14,510	-	14,510
Due to Board of County Commissioners	-	2,571	32,880	43,898	26,323	30,505	136,177	(136,177)	-
Due to other funds	290,677	20	-	-	-	-	290,697	510	291,207
Total liabilities	<u>716,799</u>	<u>44,262</u>	<u>454,418</u>	<u>43,898</u>	<u>35,283</u>	<u>39,628</u>	<u>1,334,288</u>	<u>(135,667)</u>	<u>1,198,621</u>
Fund Balances									
Nonspendable:									
Inventory	17,091	-	-	-	-	-	17,091	-	17,091
Prepays	-	-	-	-	550	-	550	-	550
Assigned to:									
Court costs	-	-	-	-	-	-	-	-	-
Subsequent year's budget	313,542	-	-	-	-	-	313,542	-	313,542
Unassigned	10,760,806	-	-	-	(550)	-	10,760,256	-	10,760,256
Total fund balances	<u>11,091,439</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,091,439</u>	<u>-</u>	<u>11,091,439</u>
Total Liabilities and Fund Balances	<u>\$ 11,808,238</u>	<u>\$ 44,262</u>	<u>\$ 454,418</u>	<u>\$ 43,898</u>	<u>\$ 35,283</u>	<u>\$ 39,628</u>	<u>\$ 12,425,727</u>	<u>\$ (135,667)</u>	<u>\$ 12,290,060</u>

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BOARD AND OFFICER GENERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Board of County Commissioners	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
Revenues									
Taxes	\$ 8,319,231	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,319,231	\$ -	\$ 8,319,231
Permit, fees, and special assessments	280,754	-	-	-	-	-	280,754	-	280,754
Intergovernmental	7,805,197	-	28,470	-	14,090	60,460	7,908,217	-	7,908,217
Charges for services	1,215,930	134,931	-	-	3,239	772	1,354,872	-	1,354,872
Miscellaneous revenues	486,475	56,319	-	331	105	23	543,253	-	543,253
Total revenues	18,107,587	191,250	28,470	331	17,434	61,255	18,406,327	-	18,406,327
Expenditures									
Current:									
General government	1,860,652	555,046	-	574,585	583,755	384,013	3,958,051	-	3,958,051
Public safety	1,247,524	-	5,109,802	-	-	-	6,357,326	-	6,357,326
Physical environment	417,731	-	-	-	-	-	417,731	-	417,731
Transportation	3,030,109	-	-	-	-	-	3,030,109	-	3,030,109
Economic environment	84,281	-	-	-	-	-	84,281	-	84,281
Human services	735,700	-	-	-	-	-	735,700	-	735,700
Culture and recreation	639,055	-	-	-	-	-	639,055	-	639,055
Court related	79,816	-	287,223	-	-	-	367,039	-	367,039
Capital outlay	300,635	-	135,250	37,633	37,396	34,708	545,622	-	545,622
Debt service:									
Principal	40,563	-	-	-	-	-	40,563	-	40,563
Interest	4,429	-	-	-	-	-	4,429	-	4,429
Total expenditures	8,440,495	555,046	5,532,275	612,218	621,151	418,721	16,179,906	-	16,179,906
Excess (deficiency) of revenues over expenditures	9,667,092	(363,796)	(5,503,805)	(611,887)	(603,717)	(357,466)	2,226,421	-	2,226,421
Other financing sources (uses)									
Transfers in	-	15,000	-	-	-	-	15,000	-	15,000
Transfers out	(657,603)	-	-	-	-	-	(657,603)	-	(657,603)
Appropriations to constitutional officers	(7,558,241)	352,559	5,536,685	650,400	630,626	387,971	-	-	-
Article V reversion	-	-	-	-	(586)	-	(586)	-	(586)
Reversions from constitutional officers	131,984	(3,763)	(32,880)	(38,513)	(26,323)	(30,505)	-	-	-
Issuance of debt	225,000	-	-	-	-	-	225,000	-	225,000
Total other financing sources (uses)	(7,858,860)	363,796	5,503,805	611,887	603,717	357,466	(418,189)	-	(418,189)
Net change in fund balances	1,808,232	-	-	-	-	-	1,808,232	-	1,808,232
Fund balances, beginning of year	9,283,207	-	-	-	-	-	9,283,207	-	9,283,207
Fund balances, end of year	\$ 11,091,439	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,091,439	\$ -	\$ 11,091,439

See accompanying notes to financial statements.

**GILCHRIST COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(CONTINUED)**

	Special Revenue										
	Law Enforcement Trust	Federal Forfeiture	Fire District	Court Facility	Transportation	Transportation Impact	State Attorney Public Defender	CDBG	E911	Capital Surcharge	Solid Waste
ASSETS											
Cash and cash equivalents	\$ 18,707	\$ 10,603	\$ 333,081	\$ 90,901	\$ 725,390	\$ 105,892	\$ 190,561	\$ -	\$ -	\$ 17,732	\$ 107,039
Investments	-	-	87,214	37,401	13,611	-	-	-	24,474	2,370	267,690
Accounts receivable	-	-	-	-	-	-	-	-	-	-	1,639
Due from other governments	-	-	40,944	-	118,750	-	-	5,618	157,892	-	8,252
Due from other funds	-	-	41,209	4,151	-	-	2,033	-	-	1,325	251
Total assets	<u>\$ 18,707</u>	<u>\$ 10,603</u>	<u>\$ 502,448</u>	<u>\$ 132,453</u>	<u>\$ 857,751</u>	<u>\$ 105,892</u>	<u>\$ 192,594</u>	<u>\$ 5,618</u>	<u>\$ 182,366</u>	<u>\$ 21,427</u>	<u>\$ 384,871</u>
LIABILITIES AND FUND BALANCES											
Liabilities											
Accounts payable and accrued expenses	\$ -	\$ -	\$ 14,229	\$ -	\$ 21,550	\$ -	\$ -	\$ -	\$ 4,421	\$ -	\$ 39,138
Due to other governments	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	2	47	15	120	-	32	5,268	23,074	3	91,005
Total liabilities	<u>-</u>	<u>2</u>	<u>14,276</u>	<u>15</u>	<u>21,670</u>	<u>-</u>	<u>32</u>	<u>5,268</u>	<u>27,495</u>	<u>3</u>	<u>130,143</u>
Fund balances											
Restricted for:											
Law enforcement	18,707	10,601	-	-	-	-	-	-	154,871	21,424	-
Fire and EMS	-	-	488,172	-	-	-	-	-	-	-	-
Solid waste	-	-	-	-	-	-	-	-	-	-	254,728
Roads and transportation	-	-	-	-	-	105,892	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	350	-	-	-
Court related	-	-	-	132,438	-	-	192,562	-	-	-	-
Capital improvements	-	-	-	-	-	-	-	-	-	-	-
Assigned to:											
Roads and transportation	-	-	-	-	836,081	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>18,707</u>	<u>10,601</u>	<u>488,172</u>	<u>132,438</u>	<u>836,081</u>	<u>105,892</u>	<u>192,562</u>	<u>350</u>	<u>154,871</u>	<u>21,424</u>	<u>254,728</u>
Total Liabilities and Fund Balances	<u>\$ 18,707</u>	<u>\$ 10,603</u>	<u>\$ 502,448</u>	<u>\$ 132,453</u>	<u>\$ 857,751</u>	<u>\$ 105,892</u>	<u>\$ 192,594</u>	<u>\$ 5,618</u>	<u>\$ 182,366</u>	<u>\$ 21,427</u>	<u>\$ 384,871</u>

See accompanying notes to financial statements.

**GILCHRIST COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(CONTINUED)**

	Law Enforcement Education	Clerk Records Modernization	Clerk Title IV-D	Clerk Fines and Forfeitures	Sheriff Inmate Welfare	Sheriff Volunteers Fund	Capital Projects		Total
							Capital Projects	Capital Impact	
ASSETS									
Cash and cash equivalents	\$ 12,602	\$ 80,276	\$ 99,241	\$ 70,995	\$ 11,814	\$ -	\$ 125	\$ 1,573	\$ 1,876,532
Investments	-	-	-	-	-	-	37,311	-	470,071
Accounts receivable	-	-	-	380	-	-	-	-	2,019
Due from other governments	-	-	13,508	-	-	-	-	-	344,964
Due from other funds	283	3,851	2	18	-	-	-	-	53,123
Total assets	<u>\$ 12,885</u>	<u>\$ 84,127</u>	<u>\$ 112,751</u>	<u>\$ 71,393</u>	<u>\$ 11,814</u>	<u>\$ -</u>	<u>\$ 37,436</u>	<u>\$ 1,573</u>	<u>\$ 2,746,709</u>
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable and accrued expenses	\$ -	\$ 348	\$ 1,363	\$ 8,367	\$ -	\$ -	\$ -	\$ -	\$ 89,416
Due to other governments	-	-	-	25,799	-	-	-	-	25,799
Due to other funds	2	-	-	3,851	-	-	-	-	123,419
Total liabilities	<u>2</u>	<u>348</u>	<u>1,363</u>	<u>38,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>238,634</u>
Fund balances									
Restricted for:									
Law enforcement	12,883	-	-	-	11,814	-	-	-	230,300
Fire and EMS	-	-	-	-	-	-	-	-	488,172
Solid waste	-	-	-	-	-	-	-	-	254,728
Roads and transportation	-	-	-	-	-	-	-	-	105,892
Economic environment	-	-	-	-	-	-	-	-	350
Court related	-	83,779	111,388	33,376	-	-	-	-	553,543
Capital improvements	-	-	-	-	-	-	-	1,573	1,573
Assigned to:									
Roads and transportation	-	-	-	-	-	-	-	-	836,081
Capital improvements	-	-	-	-	-	-	37,436	-	37,436
Total fund balances	<u>12,883</u>	<u>83,779</u>	<u>111,388</u>	<u>33,376</u>	<u>11,814</u>	<u>-</u>	<u>37,436</u>	<u>1,573</u>	<u>2,508,075</u>
Total Liabilities and Fund Balances	<u>\$ 12,885</u>	<u>\$ 84,127</u>	<u>\$ 112,751</u>	<u>\$ 71,393</u>	<u>\$ 11,814</u>	<u>\$ -</u>	<u>\$ 37,436</u>	<u>\$ 1,573</u>	<u>\$ 2,746,709</u>

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(CONTINUED)

	Special Revenue										
	Law Enforcement Trust	Federal Forfeiture	Fire District	Court Facility	Transportation	Transportation Impact	State Attorney Public Defender	CDBG	E911	Capital Surcharge	Solid Waste
Revenues											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 486,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permit, fees, and special assessments	-	-	625,581	-	34,258	-	-	-	-	-	614,794
Intergovernmental	-	-	140,060	-	650,618	-	-	7,000	278,739	-	93,785
Charges for services	-	-	-	36,499	6,290	-	19,000	-	133,845	13,074	120,394
Fines and forfeitures	489	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	285	2	5,163	1,841	7,776	1,687	1,552	-	10,961	107	10,682
Total revenues	774	2	770,804	38,340	1,185,017	1,687	20,552	7,000	423,545	13,181	839,655
Expenditures											
Current:											
General government	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	395,897	-	892	-	-	-	391,293	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	838,250
Transportation	-	-	-	-	1,484,465	19,704	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	6,650	-	-	-
Court related	-	-	-	-	-	-	103	-	-	-	-
Capital outlay	-	-	15,870	-	257,087	-	-	-	20,070	-	60,685
Debt service:											
Principal	-	-	68,034	-	134,482	-	-	-	-	-	35,269
Interest	-	-	10,043	-	24,343	-	-	-	-	-	643
Total expenditures	-	-	489,844	-	1,901,269	19,704	103	6,650	411,363	-	934,847
Excess (deficiency) of revenues over expenditures	774	2	280,960	38,340	(716,252)	(18,017)	20,449	350	12,182	13,181	(95,192)
Other financing sources (uses)											
Transfers in	-	10,599	-	-	400,000	-	-	-	-	-	-
Transfers out	-	-	-	(50,000)	-	-	-	-	-	-	-
Other external reversion	-	-	-	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	250,000	-	-	-	-	-	-
Total other financing sources (uses)	-	10,599	-	(50,000)	650,000	-	-	-	-	-	-
Net change in fund balance	774	10,601	280,960	(11,660)	(66,252)	(18,017)	20,449	350	12,182	13,181	(95,192)
Fund balance, beginning of year	17,933	-	207,212	144,098	902,333	123,909	172,113	-	142,689	8,243	349,920
Fund balance, end of year	\$ 18,707	\$ 10,601	\$ 488,172	\$ 132,438	\$ 836,081	\$ 105,892	\$ 192,562	\$ 350	\$ 154,871	\$ 21,424	\$ 254,728

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(CONTINUED)

	Law Enforcement Education	Clerk Records Modernization	Clerk Title IV-D	Clerk Fines and Forfeitures	Sheriff Federal Forfeiture	Sheriff Inmate Welfare	Sheriff Volunteers Fund	Capital Projects		Total
								Capital Projects	Capital Impact	
Revenues										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 486,075
Permit, fees, and special assessments	-	-	-	-	-	-	-	-	-	1,274,633
Intergovernmental	-	-	85,396	209,418	-	-	-	199,319	-	1,664,335
Charges for services	-	36,236	-	164,059	-	18,860	-	-	-	548,257
Fines and forfeitures	2,974	-	-	68,023	-	-	-	-	-	71,486
Miscellaneous revenues	86	951	-	3,053	-	103	-	4,049	1,106	49,404
Total revenues	3,060	37,187	85,396	444,553	-	18,963	-	203,368	1,106	4,094,190
Expenditures										
Current:										
General government	-	9,350	60,078	-	-	-	-	975,694	-	1,045,122
Public safety	-	-	-	-	-	11,512	3,289	-	-	802,883
Physical environment	-	-	-	-	-	-	-	-	-	838,250
Transportation	-	-	-	-	-	-	-	-	-	1,504,169
Economic environment	-	-	-	-	-	-	-	-	-	6,650
Court related	-	25,121	-	460,553	-	-	-	-	-	485,777
Capital outlay	-	-	-	-	-	-	-	-	-	353,712
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	237,785
Interest	-	-	-	-	-	-	-	-	-	35,029
Total expenditures	-	34,471	60,078	460,553	-	11,512	3,289	975,694	-	5,309,377
Excess (deficiency) of revenues over expenditures	3,060	2,716	25,318	(16,000)	-	7,451	(3,289)	(772,326)	1,106	(1,215,187)
Other financing sources (uses)										
Transfers in	-	-	-	-	-	-	-	414,568	-	825,167
Transfers out	-	-	(15,000)	-	(10,599)	-	-	-	(106,965)	(182,564)
Other external reversion	-	-	-	(4,905)	-	-	-	-	-	(4,905)
Issuance of debt	-	-	-	-	-	-	-	-	-	250,000
Total other financing sources (uses)	-	-	(15,000)	(4,905)	(10,599)	-	-	414,568	(106,965)	887,698
Net change in fund balance	3,060	2,716	10,318	(20,905)	(10,599)	7,451	(3,289)	(357,758)	(105,859)	(327,489)
Fund balance, beginning of year	9,823	81,063	101,070	54,281	10,599	4,363	3,289	395,194	107,432	2,835,564
Fund balance, end of year	\$ 12,883	\$ 83,779	\$ 111,388	\$ 33,376	\$ -	\$ 11,814	\$ -	\$ 37,436	\$ 1,573	\$ 2,508,075

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020

	<u>Clerk of Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Total Agency Funds</u>
ASSETS				
Cash and equivalents	\$ 501,568	\$ 79,490	\$ 428,534	\$ 1,009,592
Receivables	84	-	49,974	50,058
Total assets	<u>\$ 501,652</u>	<u>\$ 79,490</u>	<u>\$ 478,508</u>	<u>\$ 1,059,650</u>
LIABILITIES				
Assets held for others	\$ 490,060	\$ 79,490	\$ 412,791	\$ 982,341
Due to other funds	11,592	-	16,371	27,963
Due to other governments	-	-	49,346	49,346
Total liabilities	<u>\$ 501,652</u>	<u>\$ 79,490</u>	<u>\$ 478,508</u>	<u>\$ 1,059,650</u>
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Federal/State Grantor / Pass Through Grantor / Program Title	CFDA / CSFA Number	Contract Number	Expenditures	Amounts Provided to Subrecipients
FEDERAL AGENCY				
Department of Justice				
Direct Programs:				
Bulletproof Vest Grant	16.607	N/A	\$ 21,623	\$ -
Passed through the Florida Attorney General:				
State Criminal Alien Assistance Program	16.606	2020-AP-BX-0812	9,997	-
Total Department of Justice			<u>31,620</u>	<u>-</u>
U.S. Election Assistance Commission				
Passed through Division of Elections				
Helping America Vote Act Requirements Payments	90.401	E2546	10,842	-
Helping America Vote Act Elections Security Grant	90.401	MOA 2020-001	27,913	-
Total Election Assistance Commission			<u>38,755</u>	<u>-</u>
Department of Health and Human Services				
Passed through Florida Department of Revenue				
Child Support Enforcement	93.563	COC21	85,396	-
Total Department of Health and Human Services			<u>85,396</u>	<u>-</u>
Department of Homeland Security				
Passed through Department of Economic Opportunity				
Disaster Grants - Public Assistance	97.036	IRMA - 8402F	13,357	-
Passed through Executive Office of the Governor				
Emergency Management Performance Grant	97.042	G0022	43,225	-
Total Department of Homeland Security			<u>56,582</u>	<u>-</u>
Department of Housing and Urban Development:				
Direct Programs:				
Community Development Block Grant/State's Program	14.228	19DB-ON-03-31-01-H12	6,650	-
Community Development Block Grant - Entitlement Grants Cluster	14.218	11DB-C5-03-31-01-PS16	6,852	-
Total Department of Homeland Security			<u>13,502</u>	<u>-</u>
Department of the Treasury				
Passed through Florida Division of Emergency Management:				
COVID-19 - Coronavirus Relief Fund	21.019	Y2306	2,090,772	-
Total Department of the Treasury			<u>2,090,772</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,316,627</u>	<u>\$ -</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

GILCHRIST COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(CONTINUED)

Federal/State Grantor/Pass Through Grantor/Program Title	CFDA/ CSFA Number	Contract Number	Expenditures	Amounts Provided to Subrecipients
STATE AGENCY				
Executive Office of the Governor				
Direct:				
Emergency Management Programs	31.063	19-BG-21-03-31-01-151	\$ 99,354	\$ -
Total Executive Office of the Governor			<u>99,354</u>	<u>-</u>
Florida Department of Environmental Protection				
Direct:				
Small County Consolidated Grants	37.012	SC010	90,909	-
Total Florida Department of Environmental Protection			<u>90,909</u>	<u>-</u>
Department of State, Secretary of State				
Direct:				
State Aid to Libraries	45.030	20-ST-95	49,060	-
Total Department of State			<u>49,060</u>	<u>-</u>
Florida Department of Transportation				
Direct:				
Small County Outlay Program	55.009	G0K22	795,903	-
Small County Outlay Program	55.009	G0J00	707,613	-
Total Small County Outlay Program			<u>1,503,516</u>	<u>-</u>
Small County Road Assistance Program	55.016	G1380	1,526,464	-
Total Florida Department of Transportation			<u>3,029,980</u>	<u>-</u>
Florida Department of Health				
Direct:				
Emergency Medical Services Matching Grant	64.003	M8058	35,000	-
Total Florida Department of Health			<u>35,000</u>	<u>-</u>
Florida Housing Finance Corporation				
Direct:				
State Housing Initiatives Partnership Program	40.901	2019-2020	336,381	32,340
Total Florida Housing Finance Corporation			<u>336,381</u>	<u>32,340</u>
Florida Department of Law Enforcement				
Direct:				
Gilchrist County - Engineering and Design	71.039	2020-SFA-FCO-20-K4-002	199,319	-
Total Department of Law Enforcement			<u>199,319</u>	<u>-</u>
Florida Department of Management Services				
Direct:				
Enhanced 911 Emergency Telephone System	72.001	19-10-07	266,739	-
Total Department of Management Services			<u>266,739</u>	<u>-</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 4,106,742</u>	<u>\$ 32,340</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

GILCHRIST COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the state grant activity of Gilchrist County, Florida (the County), and is presented on the modified 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes, *Florida Single Audit Act*. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215, Florida Statutes, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) **Contingency:**

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the County. In the opinion of management, all project expenditures included on the accompanying schedule are in compliance with the terms of the project agreements and applicable federal and state laws and regulations.

(4) **De Minimis Indirect Cost Rate Election:**

The County has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

OTHER REPORTS AND SCHEDULE

**GILCHRIST COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

A. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes none reported

Auditee qualified as a low-risk auditee? yes no

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

Identification of major Federal programs:

CFDA Number	Program Name
21.019	COVID-19 – Coronavirus Relief Fund

State Financial Assistance:

Internal control over major State projects:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

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

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? yes none reported

Dollar threshold used to distinguish between type A and type B projects: \$750,000

Identification of major State projects:

CSFA Number	Project Name
55.009	Small County Outreach Program (SCOP)
55.016	Small County Road Assistance Program (SCRAP)

B. Financial Statement Findings:

2020-001 – Significant Audit Adjustments

Criteria: Internal controls over financial reporting should include timely year-end reconciliations of all significant account balances, with such reconciliations to also include procedures related to the proper cutoff of significant revenue and expense activities to ensure all activity is recorded in the proper accounting period.

Condition: During our review of accounts payable we identified an invoice in the amount of \$256,297 that was booked and paid in fiscal year 2021; however, the services were rendered in fiscal year 2020.

Cause: This error was not detected by management’s internal controls. Management made an adjusting journal entry to accrue the invoice back to the proper period.

Effect: If the errors had not been identified and corrected, the financial statements would have been materially misstated.

Recommendation: We recommend that management review their financial close and reporting policies and procedures over accounts payable, and ensure all activity near year-end is reviewed for cutoff to ensure transactions are classified properly and reported in the appropriate accounting period.

C. **State Project Findings and Questioned Costs:** None.

D. **Summary Schedule of Prior Audit Findings:** None.

E. **Corrective Action Plan:** See management’s response as listed in the table of contents.

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

To the Honorable Board of County Commissioners,
Gilchrist County, Florida:

Report on Compliance for Each Major Federal Program and Major State Project

We have audited Gilchrist County, Florida (the County)'s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and *Florida Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal program and major state projects for the year ended September 30, 2020. The County's major federal program and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and Major State Project

In our opinion, Gilchrist 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 and major state projects for the year ended September 30, 2020.

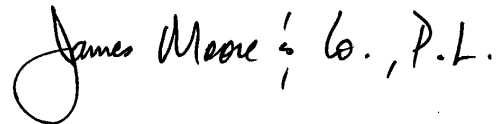
Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and 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 federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

James Moore & Co., P.L.

Gainesville, Florida
May 12, 2021

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

The Honorable Board of County Commissioners,
Gilchrist County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gilchrist County, Florida (the County) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 12, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001, that we consider to be a significant deficiency.

Compliance and Other Matters

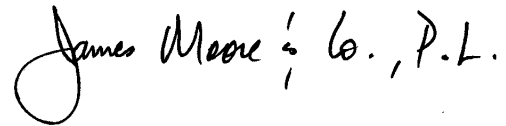
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Management's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying management's response to audit findings as listed in the table of contents. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 "James Moore & Co., P.L." The signature is written in a cursive style with a large, looping initial 'J'.

Gainesville, Florida
May 12, 2021

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Honorable Board of County Commissioners,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the financial statements of Gilchrist County, Florida (the County), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 12, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control over Compliance in Accordance with Chapter 10.550 Rules of the Florida Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 12, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 to the financial statements for the relevant disclosure.

Financial Condition and Management

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had the following recommendations:

2020-002 – Budgetary Compliance

Expenditures of the E911 Fund exceeded the final approved budget by \$5,439 due to certain line items exceeding the final approved budget. As a result, the fund was not in budgetary compliance. We recommend an analysis be performed of budget vs. actual results subsequent to year-end as the fiscal year is being closed out and determine the need for additional budget amendments to ensure budgetary compliance, as amendments may be approved up to 60 days after fiscal year-end.

Additional Matters

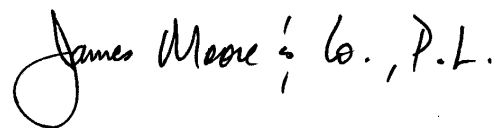
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of management.

Management's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying management's response to audit findings as listed in the table of contents. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

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



Gainesville, Florida
May 12, 2021

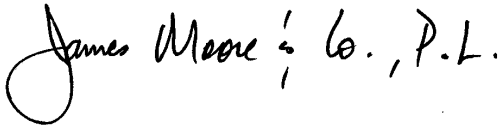
INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Board of County Commissioners,
Gilchrist County, Florida

We have examined the compliance of Gilchrist County, Florida (the County) with Section 365.172, Florida Statutes, *Emergency Communications Number "E911"*, Section 365.173, Florida Statutes, *Communications Number E911 System Fund*, and Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied with the aforementioned statutes, for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the County's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.



Gainesville, Florida
May 12, 2021



Gilchrist County Board of County Commissioners

**P.O. Box 37
112 South Main Street
Trenton, FL 32693**

Phone: 352-463-4605 Fax: 352-463-4050

**District I
Sharon A. Langford**

**District II
Bill Martin**

**District III
Darrell Smith**

**District IV
Marion Poitevint**

**District V
Kenrick Thomas**

David "Duke" Lang, Jr.
County Attorney
352-463-7800

Bobby Crosby
County Administrator
352-463-3198

Todd Newton
Clerk of Court
352-463-3170

BEFORE ME, the undersigned authority, personally appeared Todd Newton, who being duly sworn, deposes and says on oath that:

1. I am the Clerk of Court and Comptroller of Gilchrist County which is a local governmental entity of the State of Florida;
2. Gilchrist County adopted Ordinance 99-10, as amended by Ordinance 05-14 for Capital Facilities and Ordinance 99-09, as amended by Ordinance 05-16 for Roads implementing impact fees. Gilchrist County adopted Ordinance 2012-02 suspending the collection of all impact fees; and
3. Gilchrist County has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Todd Newton
Todd Newton

STATE OF FLORIDA
COUNTY OF GILCHRIST

SWORN TO AND SUBSCRIBED before me this 12th day of May, 2021.



NOTARY PUBLIC
Print Name Kaci McCagh

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires:
May 25, 2024

Our Vision for Gilchrist County in 2030 is rural communities working in harmony to provide opportunities for all its citizens through balanced growth and enhanced education, while preserving our proud heritage, natural resources and agriculture.



Gilchrist County Board of County Commissioners

P.O. Box 37

112 South Main Street

Trenton, FL 32693

Phone: 352-463-4605 Fax: 352-463-4050

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Todd Newton
Clerk of Court
352-463-3170

May 12, 2021

Office of the Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32302-1450

RE: 2019-2020 Annual Audit for Gilchrist County Board of County Commissioners

In response to the findings in the current 2019-2020 audit, the following information is provided.

Findings:

2020-001 *Criteria* – Internal controls over financial reporting should include timely year-end reconciliations of significant account balances, with such reconciliations to also include procedures related to the proper cutoff of significant revenue and expense activities to ensure all activity is recorded in the proper accounting period.

Condition – During our review of accounts payable we identified an invoice in the amount of \$256,297 that was booked and paid in fiscal year 2021; however, the services were rendered in fiscal year 2020.

Cause – This error was not detected by management’s internal controls. Management made an adjusting journal entry to accrue the invoice back to the proper period.

Effect – If the error had not been identified and corrected, the financial statements would have been materially misstated.

Recommendation – We recommend that management review their financial close and reporting policies and procedures over accounts payable and ensure all activity near year-end is reviewed for cutoff to ensure transactions are classified properly and reported in the appropriate accounting period.

Our Vision for Gilchrist County in 2030 is rural communities working in harmony to provide opportunities for all its citizens through balanced growth and enhanced education, while preserving our proud heritage, natural resources and agriculture.



Response – The County accepts the recommendation to review current policies and procedures over year end procedures for proper cutoff. Identification of areas where weaknesses exist will be strengthened with procedures that minimize the risk of this occurring in the future.

2020-002

Finding – Expenditures of the E911 Fund exceeded the final approved budget by \$5,439 due to certain line items exceeding the final approved budget. As a result the fund was not in budgetary compliance.

Recommendation – We recommend an analysis be performed of budget vs. actual results subsequent to year-end as the fiscal year is being closed out and determine the need for additional budget amendments to ensure budgetary compliance, as amendments may be approved up to 60 days after fiscal year end.

Response – The County will review year-end procedures and develop more enhanced review methods to identify where possible budget excesses may occur. Procedures will be developed to identify those areas and prepare the necessary budget adjustments for Board approval within 60 days of year end.

If additional information is needed, please contact us.

Respectfully,



Todd Newton
Clerk of Court, Gilchrist County



Richard A. Romans
Finance Director



GILCHRIST COUNTY SHERIFF
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2020

GILCHRIST COUNTY SHERIFF
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Robert D. Schultz, Sheriff,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Gilchrist County Sheriff (the Office), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Gilchrist County Sheriff's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the Gilchrist County Sheriff as of September 30, 2020, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Gilchrist County, Florida, that is attributable to the Gilchrist County Sheriff. They do not purport to, and do not, present fairly the financial position of Gilchrist County, Florida as of September 30, 2020, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

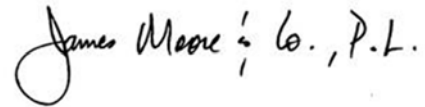
Other Information

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

The supplementary information is the responsibility of management and are 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Gilchrist County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Gilchrist County Sheriff's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a stylized "M".

Gainesville, Florida
May 12, 2021

**GILCHRIST COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	General Fund	Special Revenue			Total Governmental Funds
		FLETF Fund	Inmate Welfare Fund	Volunteers Fund	
ASSETS					
Cash and cash equivalents	\$ 437,433	\$ -	\$ 11,814	\$ -	\$ 449,247
Due from other governments	16,985	-	-	-	16,985
Total assets	<u>\$ 454,418</u>	<u>\$ -</u>	<u>\$ 11,814</u>	<u>\$ -</u>	<u>\$ 466,232</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued expenditures	\$ 408,777	\$ -	\$ -	\$ -	\$ 408,777
Due to other governments	12,761	-	-	-	12,761
Due to Board of County Commissioners	32,880	-	-	-	32,880
Total Liabilities	<u>454,418</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>454,418</u>
Fund Balances					
Assigned					
Inmate benefits	-	-	11,814	-	11,814
Unassigned	-	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>11,814</u>	<u>-</u>	<u>11,814</u>
Total Liabilities and Fund Balances	<u>\$ 454,418</u>	<u>\$ -</u>	<u>\$ 11,814</u>	<u>\$ -</u>	<u>\$ 466,232</u>

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	General Fund	Special Revenue			Total Governmental Funds
		FLETF Fund	Inmate Welfare Fund	Volunteers Fund	
Revenues					
Intergovernmental	\$ 28,470	\$ -	\$ -	\$ -	\$ 28,470
Charges for services	-	-	18,860	-	18,860
Miscellaneous revenue	-	-	103	-	103
Total revenues	<u>28,470</u>	<u>-</u>	<u>18,963</u>	<u>-</u>	<u>47,433</u>
Expenditures					
Current:					
Public safety	5,109,802	-	11,512	3,289	5,124,603
Court-related	287,223	-	-	-	287,223
Capital outlay	135,250	-	-	-	135,250
Total expenditures	<u>5,532,275</u>	<u>-</u>	<u>11,512</u>	<u>3,289</u>	<u>5,547,076</u>
Excess (deficiency) of revenues over expenditures	<u>(5,503,805)</u>	<u>-</u>	<u>7,451</u>	<u>(3,289)</u>	<u>(5,499,643)</u>
Other financing sources (uses)					
Appropriations from board of county commissioners	5,536,685	-	-	-	5,536,685
Transfers to board of county commissioners	-	(10,599)	-	-	(10,599)
Reversion to board of county commissioners	(32,880)	-	-	-	(32,880)
Total other financing sources (uses)	<u>5,503,805</u>	<u>(10,599)</u>	<u>-</u>	<u>-</u>	<u>5,493,206</u>
Net change in fund balance	<u>-</u>	<u>(10,599)</u>	<u>7,451</u>	<u>(3,289)</u>	<u>(6,437)</u>
Fund balances, beginning of year	-	10,599	4,363	3,289	18,251
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,814</u>	<u>\$ -</u>	<u>\$ 11,814</u>

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020**

	<u>Agency Funds</u>
ASSETS	
Cash and equivalents	<u>\$ 79,490</u>
LIABILITIES	
Assets held for others	<u>\$ 79,490</u>
NET POSITION	<u>\$ -</u>

The accompanying notes to financial statements are an integral part of this statement.

GILCHRIST COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:**

The accounting policies of the Gilchrist County Sheriff (the Office) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**— The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Gilchrist County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental funds:

General Fund – The principal operating fund of the office. It is used to account for all financial resources, except those required to be accounted for in another fund.

Special Revenue Funds – The Inmate Welfare Special Revenue Fund is used to account for the funds that are generated by phone commissions. The profits can only be spent for the benefit of the inmates. The Federal Forfeiture Fund is used to account for the receipt and expenditures of federal forfeitures received. The Donations Fund is used to track all donation revenues.

Additionally, the Sheriff reports the following fiduciary fund type:

Agency Fund – Agency Funds are used to account for assets held by the Office in a trustee capacity, or as an agent for individuals, private organizations, and other governments.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

**GILCHRIST COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Gilchrist County Board of County Commissioners.

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

Assets	Years
Vehicles	4 – 6 years
Building and improvements	20 years
Computer software	3 – 10 years
Machinery and equipment	3 – 20 years

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Sheriff is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

GILCHRIST COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:** (Continued)

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office's general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

(2) **Budgets and Budgetary Accounting:**

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end

(3) **Investments:**

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) **Risk Management:**

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) **Capital Assets:**

Capital asset activity of the Office is incorporated in the County-wide financial statements. All applicable depreciation expense is recorded under the public safety function.

**GILCHRIST COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(6) Long-term Liabilities:

A summary of changes in long-term liabilities of the Office for the fiscal year ended September 30, 2020, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 408,711	\$ 272,869	\$ (200,035)	\$ 481,545	\$ 165,178

(7) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

GILCHRIST COUNTY SHERIFF
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 28,470	\$ 28,470
Expenditures				
Current:				
Public safety	5,249,039	5,249,039	5,109,802	139,237
Court-related	295,546	295,546	287,223	8,323
Capital outlay	-	-	135,250	(135,250)
Total expenditures	<u>5,544,585</u>	<u>5,544,585</u>	<u>5,532,275</u>	<u>12,310</u>
Excess (deficiency) of revenues over expenditures	<u>(5,544,585)</u>	<u>(5,544,585)</u>	<u>(5,503,805)</u>	<u>40,780</u>
Other financing sources (uses)				
Appropriations from board of county commissioners	5,544,585	5,544,585	5,536,685	(7,900)
Reversion to board of county commissioners	-	-	(32,880)	(32,880)
Total other financing sources (uses)	<u>5,544,585</u>	<u>5,544,585</u>	<u>5,503,805</u>	<u>(40,780)</u>
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**GILCHRIST COUNTY SHERIFF
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end. A formal budget is not adopted for the federal forfeiture, inmate welfare, or volunteers funds, and therefore budgetary comparison schedules are not presented for these funds.

The Office follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

**GILCHRIST COUNTY SHERIFF
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2020**

	<u>Inmate Trust Fund</u>	<u>Individual and Suspense Fund</u>	<u>Bonds and Fines Fund</u>	<u>Evidence Trust Fund</u>	<u>Total</u>
ASSETS					
Cash and equivalents	<u>\$ 14,193</u>	<u>\$ 4,302</u>	<u>\$ 33,070</u>	<u>\$ 27,925</u>	<u>\$ 79,490</u>
LIABILITIES					
Assets held for others	<u>\$ 14,193</u>	<u>\$ 4,302</u>	<u>\$ 33,070</u>	<u>\$ 27,925</u>	<u>\$ 79,490</u>
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

ADDITIONAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Robert D. Schultz, Sheriff,
Gilchrist County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Gilchrist County Sheriff (the Office) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Gilchrist County Sheriff's special-purpose financial statements, and have issued our report thereon dated May 12, 2021, which was modified to refer to a basis of accounting required for compliance with state filing requirements.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the following paragraph as item 2020-001, that we consider to be a material weakness.

2020-001 – Modified Accrual Basis of Accounting

During the course of the audit, several adjustments were noted with respect to account reconciliation and the presentation of accounts in accordance with Generally Accepted Accounting Principles (GAAP). As the Office maintains their cash accounts on the cash basis of accounting, several material entries were required to record the accounts in accordance with GAAP. This included an adjustment of approximately \$447,000 to properly accrue for amounts which had not been accrued in the corresponding period. Material entries were also required to reconcile the Office's due to/from balances with those of the Board. We recommend the Office utilize accrual features within the accounting software or obtain a software that can properly accrue for items at year-end.

Compliance and Other Matters

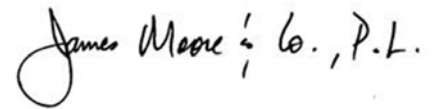
As part of obtaining reasonable assurance about whether the Gilchrist County Sheriff's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which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

Management's Response to Findings

The Office's responses to the findings identified in our audit are outlined as listed in the table of contents. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Gainesville, Florida
May 12, 2021

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Robert D. Schultz, Sheriff,
Gilchrist County, Florida:

We have audited the financial statements of the Gilchrist County Sheriff (the Office), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 12, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 12, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address certain findings and recommendations made in the preceding financial audit report, except as noted below. Comment 2019-001 remains uncorrected from the second preceding audit (various interrelated matters combined into single comment in current year).

2019-001 – Modified Accrual Basis of Accounting: Corrective action not taken. See repeat comment 2020-001.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Gilchrist County Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the

State of Florida and is governed by various provisions of state law. Gilchrist County, including the Office of the Sheriff, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Gilchrist County Sheriff to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had the following recommendations.

2020-002 – Capital Assets

During our audit, we noticed several issues with both the tracking and valuation of the Office's capital assets. Specifically, fixed asset records should include the following data: Description of the asset; Cost, voucher number, and vendor name; Date placed in service; Estimated useful life; Depreciation method; Depreciation expense and accumulated depreciation for the year; and Date asset retired and selling price if applicable. Complete information such as the preceding on all capital assets would provide excellent control for the safeguarding of these assets, which are significant in costs. Better assessment and evaluation could also be made regarding the reliability of certain capital assets and the need for replacements, etc. Additionally, there are no formal asset capitalization policies in effect. During our audit, there were several instances in which capital asset purchases for small amounts were capitalized rather than expensed. We recommend that a policy be implemented that would designate expenditures over a certain dollar value, possibly \$1,000, as capital expenditures to be recorded as depreciable capital assets.

Additional Matters

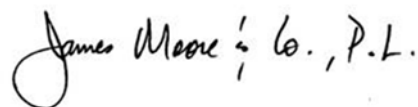
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants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

Management's Response to Findings

The Office's responses to the findings identified in our audit are outlined as listed in the table of contents. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

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



Gainesville, Florida
May 12, 2021

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

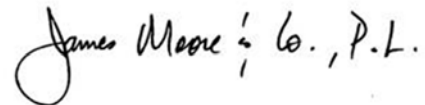
The Honorable Robert D. Schultz, Sheriff,
Gilchrist County, Florida:

We have examined the Gilchrist County Sheriff's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Gilchrist County Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Gainesville, Florida
May 12, 2021



Management's Response to Findings

2020-001 Modified Accrual Basis of Accounting

Management concurs. We have been explained the correct procedure for recording accruals and will implement a reconciliation process to ensure these balances are recorded prior to the audit.

2020-002 Capital Assets

Management concurs. We will implement a reconciliation process at year end to ensure that only those assets meeting the capitalization threshold are capitalized and that assets are tracked and depreciated as appropriate.

GILCHRIST COUNTY PROPERTY APPRAISER
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2020

GILCHRIST COUNTY PROPERTY APPRAISER
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Damon Leggett, Property Appraiser,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Gilchrist County Property Appraiser (the Office), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Gilchrist County Property Appraiser's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund for the Gilchrist County Property Appraiser as of September 30, 2020, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Gilchrist County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Gilchrist County, Florida as of September 30, 2020, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

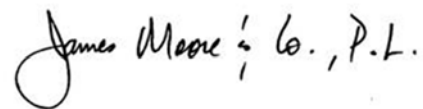
Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



Gainesville, Florida
May 12, 2021

**GILCHRIST COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2020**

	General Fund
ASSETS	
Cash and equivalents	\$ 34,733
Prepaid items	550
Total Assets	\$ 35,283
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and accrued expenditures	\$ 8,374
Due to other governments	586
Total Liabilities	35,283
Fund Balance:	
Nonspendable:	
Prepaid items	550
Unassigned	(550)
Total Fund Balance	-
 Total Liabilities and Fund Balance	 \$ 35,283

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	General Fund
Revenues	
Charges for services	\$ 3,239
Intergovernmental revenue	14,090
Miscellaneous revenue	105
Total revenues	17,434
 Expenditures	
Current:	
General government	583,755
Capital outlay	37,396
Total expenditures	621,151
 Excess (deficiency) of revenues over expenditures	(603,717)
 Other financing sources (uses)	
Appropriations from board of county commissioners	630,626
Reversion to board of county commissioners	(26,323)
Other external reversion	(586)
Total other financing sources (uses)	603,717
 Net change in fund balance	-
 Fund balance, beginning of year	-
 Fund balance, end of year	\$ -

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) **Summary of Significant Accounting Policies:**

The accounting policies of the Gilchrist County Property Appraiser (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Gilchrist County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

General Fund – The principal operating fund of the Office. It is used to account for all financial resources.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Except for grants, which are recorded on a matching basis, the Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

**GILCHRIST COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Gilchrist County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Property Appraiser is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

**GILCHRIST COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer’s Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Long-term Liabilities:

A summary of changes in long-term liabilities for the fiscal year ended September 30, 2020, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 14,282	\$ 17,213	\$ (16,212)	\$ 15,283	\$ 5,242

**GILCHRIST COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(6) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

**GILCHRIST COUNTY PROPERTY APPRAISER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for services	\$ -	\$ -	\$ 3,239	\$ 3,239
Intergovernmental revenue	-	-	14,090	14,090
Miscellaneous revenue	-	-	105	105
Total revenues	<u>-</u>	<u>-</u>	<u>17,434</u>	<u>17,434</u>
Expenditures				
Current:				
General government	644,101	607,320	583,755	23,565
Capital outlay	-	37,396	37,396	-
Total expenditures	<u>644,101</u>	<u>644,716</u>	<u>621,151</u>	<u>23,565</u>
Excess (deficiency) of revenues over expenditures	<u>(644,101)</u>	<u>(644,716)</u>	<u>(603,717)</u>	<u>40,999</u>
Other financing sources (uses)				
Appropriations from board of county commissioners	644,101	644,716	630,626	(14,090)
Reversion to board of county commissioners	-	-	(26,323)	(26,323)
Other external reversion	-	-	(586)	(586)
Total other financing sources (uses)	<u>644,101</u>	<u>644,716</u>	<u>603,717</u>	<u>(40,999)</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**GILCHRIST COUNTY PROPERTY APPRAISER
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

(1) **Budgetary Information:**

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

The Office follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Damon Leggett, Property Appraiser,
Gilchrist County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Gilchrist County Property Appraiser (the Office) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Gilchrist County Property Appraiser's special-purpose financial statements, and have issued our report thereon dated May 12, 2021, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

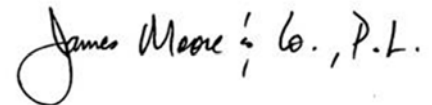
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no such instance of noncompliance 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 "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Gainesville, Florida
May 12, 2021

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Damon Leggett, Property Appraiser,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Gilchrist County Property Appraiser (the Office), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 12, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 12, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Gilchrist County Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. There are no component units of the Gilchrist County Property Appraiser to be disclosed as required by accounting principles generally accepted in the United States of America.

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Financial Management

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

Additional Matters

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

Purpose of this Letter

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

James Moore & Co., P.L.

Gainesville, Florida
May 12, 2021

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

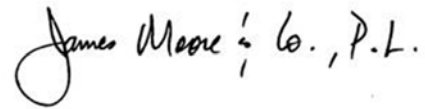
The Honorable Damon Leggett, Property Appraiser,
Gilchrist County, Florida:

We have examined the Gilchrist County Property Appraiser's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Gilchrist County Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Gainesville, Florida
May 12, 2021



GILCHRIST COUNTY SUPERVISOR OF ELECTIONS

**SPECIAL PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2020

GILCHRIST COUNTY SUPERVISOR OF ELECTIONS

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Connie Sanchez, Supervisor of Elections,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Gilchrist County Supervisor of Elections (the Office), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

- 1 -

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund for the Gilchrist County Supervisor of Elections as of September 30, 2020, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Gilchrist County, Florida, that is attributable to the Gilchrist County Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Gilchrist County, Florida as of September 30, 2020, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

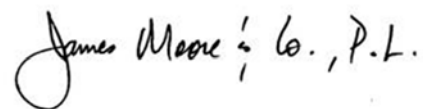
Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



Gainesville, Florida
May 12, 2021

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2020**

	General Fund
ASSETS	
Cash and equivalents	\$ 11,715
Due from other governments	27,913
Total Assets	39,628
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and accrued expenditures	\$ 9,123
Due to Board of County Commissioners	30,505
Total Liabilities	39,628
Fund Balance:	
Unassigned	-
Total Liabilities and Fund Balance	\$ 39,628

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
SEPTEMBER 30, 2020**

	General Fund
Revenues	
Intergovernmental	\$ 60,460
Charges for services	772
Miscellaneous	23
Total revenues	61,255
Expenditures	
Current:	
General government	384,013
Capital outlay	34,708
Total expenditures	418,721
Excess (deficiency) of revenues over expenditures	(357,466)
Other financing sources (uses)	
Appropriations from Board of County Commissioners	387,971
Reversion to Board of County Commissioners	(30,505)
Total other financing sources (uses)	357,466
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

The accompanying notes to financial statements are an integral part of this statement.

GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:**

The accounting policies of the Gilchrist County Supervisor of Elections (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Gilchrist County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

General Fund – The principal operating fund of the Office. It is used to account for all financial resources.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Receivables**—Activity between officers that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other governments.”

(g) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Gilchrist County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(h) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(i) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(j) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Supervisor of Elections is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(k) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer’s Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Long-term Liabilities:

A summary of changes in long-term liabilities for the fiscal year ended September 30, 2020, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 2,330	\$ 5,618	\$ (4,435)	\$ 3,513	\$ 1,205

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(6) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ -	\$ -	\$ 60,460	\$ 60,460
Charges for services	-	-	772	772
Miscellaneous	-	-	23	23
Total revenues	<u>-</u>	<u>-</u>	<u>61,255</u>	<u>61,255</u>
Expenditures				
Current:				
General government	384,471	384,971	384,013	958
Capital outlay	3,000	3,000	34,708	(31,708)
Total expenditures	<u>387,471</u>	<u>387,971</u>	<u>418,721</u>	<u>(30,750)</u>
Excess (deficiency) of revenues over expenditures	<u>(387,471)</u>	<u>(387,971)</u>	<u>(357,466)</u>	<u>30,505</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	387,471	387,971	387,971	-
Reversion to Board of County Commissioners	-	-	(30,505)	(30,505)
Total other financing sources (uses)	<u>387,471</u>	<u>387,971</u>	<u>357,466</u>	<u>(30,505)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

(1) **Budgetary Information:**

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

The Office follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Connie Sanchez, Supervisor of Elections,
Gilchrist County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Gilchrist County Supervisor of Elections (the Office) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Gilchrist County Supervisor of Elections' special-purpose financial statements, and have issued our report thereon dated May 12, 2021, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

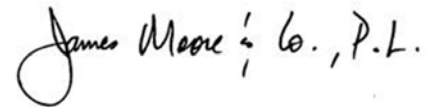
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Gainesville, Florida
May 12, 2021

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Connie Sanchez, Supervisor of Elections,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Gilchrist County Supervisor of Elections (the Office), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 12, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 12, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Gilchrist County Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. There are no component units of the Office to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

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

Additional Matters

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

2020-001 Budgetary Compliance

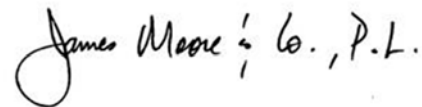
The Office exceeded their final approved budget by \$30,750, due to additional grant-funded expenditures made during the year. We recommend the Office analyze budget vs. actual results subsequent to year-end as the fiscal year is being closed out and determine the need for additional budget amendments to ensure budgetary compliance, and that any budgetary provisions and/or amendments also be made for grant revenues and the related expenditures.

Management's Response to Findings

Management's response to the finding identified in our audit is described in the accompanying corrective action plan. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Gainesville, Florida
May 12, 2021

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

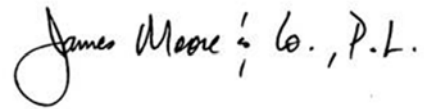
The Honorable Connie Sanchez, Supervisor of Elections,
Gilchrist County, Florida:

We have examined the Gilchrist County Supervisor of Elections' (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Gilchrist County Supervisor of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Gainesville, Florida
May 12, 2021





Connie Sanchez
Gilchrist County
Supervisor of Elections

May 10, 2021

James Moore & Co., P.L.
5931 NW 1st Place
Gainesville, Florida 32607

Re: 2020-2021 Auditors' Report

In reference to the 2020-2021 Budgetary Compliance we will amend our budget per any grants that we may receive.

Sincerely,

Connie Sanchez

Connie Sanchez,
Gilchrist County, Florida Supervisor of Elections

GILCHRIST COUNTY TAX COLLECTOR
SPECIAL PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2020

GILCHRIST COUNTY TAX COLLECTOR
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Michael McElroy, Tax Collector,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Gilchrist County Tax Collector (the Office), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Gilchrist County Tax Collector's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

- 1 -

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133 East Indiana Avenue
DeLand, FL 32724-4329
Telephone: 386-738-3300

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850-386-6184

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the Gilchrist County Tax Collector as of September 30, 2020, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Gilchrist County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Gilchrist County, Florida as of September 30, 2020, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

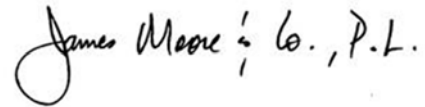
Other Information

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

The supplemental information is the responsibility of management and are 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Gilchrist County Tax Collector's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial "J" and a stylized "M".

Gainesville, Florida
May 12, 2021

**GILCHRIST COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2020**

	<u>General Fund</u>
Assets	
Cash and equivalents	\$ <u>43,898</u>
Liabilities and Fund Balance	
Liabilities	
Due to Board of County Commissioners	\$ 43,898
Fund balance	
Unassigned	-
Total Liabilities and Fund Balance	<u>\$ 43,898</u>

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	General Fund
Revenues	
Miscellaneous revenue	\$ 331
Total revenues	331
Expenditures	
Current:	
General government	574,585
Capital outlay	37,633
Total expenditures	612,218
Excess (deficiency) of revenues over expenditures	(611,887)
Other financing sources (uses)	
Appropriations from Board of County Commissioners	650,400
Reversion to Board of County Commissioners	(38,513)
Total other financing sources (uses)	611,887
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2020**

	<u>Agency Funds</u>
Assets	
Cash and equivalents	\$ 428,534
Accounts receivable	49,974
Total assets	\$ 478,508
Liabilities	
Due to other governments	\$ 49,346
Due to other county agencies	16,371
Assets held for others	412,791
Total liabilities	\$ 478,508
Net Position	\$ -

The accompanying notes to financial statements are an integral part of this statement.

GILCHRIST COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:**

The accounting policies of the Gilchrist County Tax Collector (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Gilchrist County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

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

Additionally, the Office reports the following fiduciary fund type:

Agency Fund - Used to account for assets held by the Office 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 Tax Collector’s Agency Fund is used to account for the collection and distribution of property taxes, sales tax, vehicle tags and titles, boat registrations and titles, and fishing licenses.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Except for grants, which are recognized when the related expenditures are incurred, the Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

GILCHRIST COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(1) **Summary of Significant Accounting Policies:** (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Gilchrist County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Tax Collector is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

**GILCHRIST COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Long-term Liabilities:

A summary of changes in long-term liabilities for the fiscal year ended September 30, 2020, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 43,078	\$ 26,883	\$ (56,566)	\$ 13,395	\$ 3,974

**GILCHRIST COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(6) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

**GILCHRIST COUNTY TAX COLLECTOR
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Miscellaneous revenue	\$ -	\$ -	\$ 331	\$ 331
Total revenues	-	-	331	331
Expenditures				
Current:				
General government	612,650	612,650	574,585	38,065
Capital outlay	37,750	37,750	37,633	117
Total expenditures	<u>650,400</u>	<u>650,400</u>	<u>612,218</u>	<u>38,182</u>
Excess (deficiency) of revenues over expenditures	<u>(650,400)</u>	<u>(650,400)</u>	<u>(611,887)</u>	<u>38,513</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	650,400	650,400	650,400	-
Reversion to Board of County Commissioners	-	-	(38,513)	(38,513)
Total other financing sources (uses)	<u>650,400</u>	<u>650,400</u>	<u>611,887</u>	<u>(38,513)</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**GILCHRIST COUNTY TAX COLLECTOR
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

(1) **Budgetary Information:**

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

The Office follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

**GILCHRIST COUNTY TAX COLLECTOR
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 SEPTEMBER 30, 2020**

	<u>Tag Fund</u>	<u>Trust Fund</u>	<u>Total Agency Funds</u>
Assets			
Cash and equivalents	\$ 397,715	\$ 30,819	\$ 428,534
Accounts receivable	49,974	-	49,974
Total assets	<u>\$ 447,689</u>	<u>\$ 30,819</u>	<u>\$ 478,508</u>
Liabilities			
Due to other governments	\$ 49,346	\$ -	\$ 49,346
Due to other county agencies	13,849	2,522	16,371
Assets held for others	384,494	28,297	412,791
Total liabilities	<u>\$ 447,689</u>	<u>\$ 30,819</u>	<u>\$ 478,508</u>
Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

ADDITIONAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Michael McElroy, Tax Collector,
Gilchrist County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Gilchrist County Tax Collector (the Office) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated May 12, 2021, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

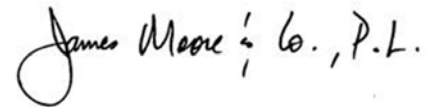
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Gainesville, Florida
May 12, 2021

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Michael McElroy, Tax Collector,
Gilchrist County, Florida:

We have audited the financial statements of the Gilchrist County Tax Collector (the Office), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 12, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 12, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Gilchrist County, including the Office of the Tax Collector, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Office to be disclosed as required by accounting principles generally accepted in the United States of America.

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Financial Management

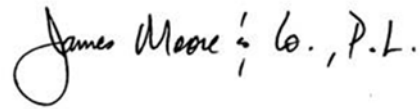
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

James Moore & Co., P.L.

Gainesville, Florida
May 12, 2021

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

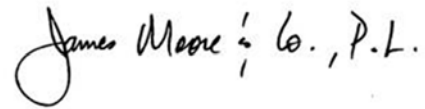
The Honorable Michael McElroy, Tax Collector,
Gilchrist County, Florida:

We have examined the Gilchrist County Tax Collector's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Gainesville, Florida
May 12, 2021



GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2020

GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Todd Newton, Clerk of the Circuit Court,
Gilchrist County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Gilchrist County Clerk of the Circuit Court (the Office), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the Gilchrist County Clerk of the Circuit Court as of September 30, 2020, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Gilchrist County, Florida, that is attributable to the Gilchrist County Clerk of the Circuit Court. They do not purport to, and do not, present fairly the financial position of Gilchrist County, Florida as of September 30, 2020, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

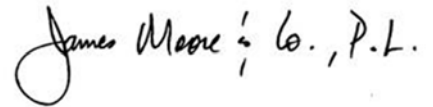
Other Information

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

The supplemental information is the responsibility of management and is derived from and relates 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Gainesville, Florida
May 12, 2021

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	<u>General Fund</u>	<u>Fine and Forfeiture Fund</u>	<u>Records Modernization Trust Fund</u>	<u>Title IV-D Fund</u>	<u>Total Governmental Funds</u>
Assets					
Cash and cash equivalents	\$ 44,062	\$ 70,995	\$ 80,276	\$ 99,241	\$ 294,574
Receivables	-	380	-	-	380
Due from other governments	-	-	-	13,508	13,508
Due from other funds	200	18	3,851	2	4,071
Total Assets	<u>\$ 44,262</u>	<u>\$ 71,393</u>	<u>\$ 84,127</u>	<u>\$ 112,751</u>	<u>\$ 312,533</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable and accrued expenses	\$ 41,671	\$ 8,367	\$ 348	\$ 1,363	\$ 51,749
Due to other governments	-	25,799	-	-	25,799
Due to other funds	20	3,851	-	-	3,871
Due to Board of County Commissioners	2,571	-	-	-	2,571
Total liabilities	<u>44,262</u>	<u>38,017</u>	<u>348</u>	<u>1,363</u>	<u>83,990</u>
Fund Balances					
Restricted for court costs	-	33,376	83,779	111,388	228,543
Total Liabilities and Fund Balances	<u>\$ 44,262</u>	<u>\$ 71,393</u>	<u>\$ 84,127</u>	<u>\$ 112,751</u>	<u>\$ 312,533</u>

The accompanying notes to financial statements are an integral part of this statement.

GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>General Fund</u>	<u>Fine and Forfeiture Fund</u>	<u>Records Modernization Trust Fund</u>	<u>Title IV-D Fund</u>	<u>Total Governmental Funds</u>
Revenues					
Intergovernmental	\$ -	\$ 209,418	\$ -	\$ 85,396	\$ 294,814
Charges for services	134,931	164,059	36,236	-	335,226
Fines and forfeitures	-	68,023	-	-	68,023
Miscellaneous	56,319	3,053	951	-	60,323
Total revenues	<u>191,250</u>	<u>444,553</u>	<u>37,187</u>	<u>85,396</u>	<u>758,386</u>
Expenditures					
Current:					
General government	555,046	-	9,350	60,078	624,474
Court related	-	460,553	25,121	-	485,674
Total expenditures	<u>555,046</u>	<u>460,553</u>	<u>34,471</u>	<u>60,078</u>	<u>1,110,148</u>
Excess (deficiency) of revenues over expenditures	<u>(363,796)</u>	<u>(16,000)</u>	<u>2,716</u>	<u>25,318</u>	<u>(351,762)</u>
Other financing sources (uses)					
Appropriations from Board of County Commissioners	352,559	-	-	-	352,559
Reversion to Board of County Commissioners	(3,763)	-	-	-	(3,763)
Article V Reversion	-	(4,905)	-	-	(4,905)
Total other financing sources (uses)	<u>363,796</u>	<u>(4,905)</u>	<u>-</u>	<u>(15,000)</u>	<u>343,891</u>
Net change in fund balance	<u>-</u>	<u>(20,905)</u>	<u>2,716</u>	<u>10,318</u>	<u>(7,871)</u>
Fund balance, beginning of year	-	54,281	81,063	101,070	236,414
Fund balance, end of year	<u>\$ -</u>	<u>\$ 33,376</u>	<u>\$ 83,779</u>	<u>\$ 111,388</u>	<u>\$ 228,543</u>

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Assets	
Cash and cash equivalents	\$ 501,568
Receivables	84
Total Assets	\$ 501,652
 Liabilities	
Assets held for others	\$ 490,060
Due to other funds	200
Due to other County agencies	11,392
Total Liabilities	\$ 501,652
 Net Position	 \$ -

The accompanying notes to financial statements are an integral part of this statement.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) Summary of Significant Accounting Policies:

The accounting policies of the Gilchrist County Clerk of the Circuit Court (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**— The Clerk is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Gilchrist County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental funds; there are no non-major governmental funds:

General Fund – The principal operating fund of the office. It is used to account for all financial resources, except those required to be accounted for in another fund.

The Office reports the following Special Revenue funds:

Fine and Forfeiture Fund – This fund is used to account for court-related activities funded by general appropriations from the State and court-related fees.

Records Modernization Trust Fund – Used to account for additional recording fees, which are collected by the Clerk’s office and are earmarked for the modernization of recording service operations.

Title IV D Fund – This fund is used to account for the expenditures associated with administering Title IV D cases and associated federal reimbursement.

Additionally, the Office reports the following fiduciary fund type:

Agency Funds - Used to account for assets held by the Office 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.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Gilchrist County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Office is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

(2) **Budgets and Budgetary Accounting:**

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund and other special revenue funds. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end

(3) **Investments:**

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer’s Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) **Risk Management:**

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) **Long-term Liabilities:**

A summary of changes in long-term liabilities of the Office for the fiscal year ended September 30, 2020, follows:

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending Balance</u>		<u>Due Within One Year</u>
Compensated absences	\$ 68,707	\$	51,474	\$	(37,042)	\$	83,139	\$	42,409

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(6) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 145,260	\$ 145,260	\$ 134,931	\$ (10,329)
Miscellaneous	90,195	90,195	56,319	(33,876)
Total revenues	<u>235,455</u>	<u>235,455</u>	<u>191,250</u>	<u>(44,205)</u>
Expenditures				
Current:				
General government	603,014	603,014	555,046	47,968
Excess (deficiency) of revenues over expenditures	<u>(367,559)</u>	<u>(367,559)</u>	<u>(363,796)</u>	<u>3,763</u>
Other financing sources (uses)				
Transfers in	15,000	15,000	15,000	-
Appropriations from Board of County Commissioners	352,559	352,559	352,559	-
Reversion to Board of County Commissioners	-	-	(3,763)	(3,763)
Total other financing sources (uses)	<u>367,559</u>	<u>367,559</u>	<u>363,796</u>	<u>(3,763)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FINE AND FORFEITURE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 332,523	\$ 332,523	\$ 209,418	\$ (123,105)
Charges for services	136,443	136,443	164,059	27,616
Fines and forfeitures	48,670	48,670	68,023	19,353
Miscellaneous	2,175	2,175	3,053	878
Total revenues	<u>519,811</u>	<u>519,811</u>	<u>444,553</u>	<u>(75,258)</u>
Expenditures				
Current:				
Court related	525,444	525,444	460,553	64,891
Excess (deficiency) of revenues over expenditures	<u>(5,633)</u>	<u>(5,633)</u>	<u>(16,000)</u>	<u>(10,367)</u>
Other financing sources (uses)				
Article V Reversion	-	-	(4,905)	(4,905)
Net change in fund balance	<u>(5,633)</u>	<u>(5,633)</u>	<u>(20,905)</u>	<u>(15,272)</u>
Fund balance, beginning of year	54,281	54,281	54,281	-
Fund balance, end of year	<u><u>\$ 48,648</u></u>	<u><u>\$ 48,648</u></u>	<u><u>\$ 33,376</u></u>	<u><u>\$ (15,272)</u></u>

The accompanying notes to required supplementary information are an integral part of this schedule.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
RECORDS MODERNIZATION TRUST FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 31,500	\$ 31,500	\$ 36,236	\$ 4,736
Miscellaneous	1,600	1,600	951	(649)
Total revenues	33,100	33,100	37,187	4,087
Expenditures				
Current:				
General government	34,800	34,800	9,350	25,450
Court related	88,600	88,600	25,121	63,479
Total expenditures	123,400	123,400	34,471	88,929
Net change in fund balance	(90,300)	(90,300)	2,716	93,016
Fund balance, beginning of year	81,063	81,063	81,063	-
Fund balance, end of year	\$ (9,237)	\$ (9,237)	\$ 83,779	\$ 93,016

The accompanying notes to required supplementary information are an integral part of this schedule.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TITLE IV-D FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 86,400	\$ 86,400	\$ 85,396	\$ (1,004)
Expenditures				
Current:				
General government	134,718	134,718	60,078	74,640
Net change in fund balance	(88,318)	(88,318)	10,318	98,636
Fund balance, beginning of year	101,070	101,070	101,070	-
Fund balance, end of year	\$ 12,752	\$ 12,752	\$ 111,388	\$ 98,636

The accompanying notes to required supplementary information are an integral part of this schedule.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund and the records modernization trust fund. All annual appropriations lapse at fiscal year-end.

The Office follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 SEPTEMBER 30, 2020**

	Domestic Relations Fund	Registry of Court Fund	General Trust Fund	Total Agency Funds
Assets				
Cash and cash equivalents	\$ 678	\$ 21,482	\$ 479,408	\$ 501,568
Receivables	-	-	84	84
Total Assets	<u>\$ 678</u>	<u>\$ 21,482</u>	<u>\$ 479,492</u>	<u>\$ 501,652</u>
Liabilities				
Assets held for others	\$ 478	\$ 21,482	\$ 468,100	\$ 490,060
Due to other funds	200	-	-	200
Due to other County agencies	-	-	11,392	11,392
Total Liabilities	<u>\$ 678</u>	<u>\$ 21,482</u>	<u>\$ 479,492</u>	<u>\$ 501,652</u>
Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

ADDITIONAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Todd Newton, Clerk of the Circuit Court,
Gilchrist County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Gilchrist County Clerk of the Circuit Court (the Office) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Gilchrist County Clerk of the Circuit Court's special-purpose financial statements, and have issued our report thereon dated May 12, 2021, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Gilchrist County Clerk of the Circuit 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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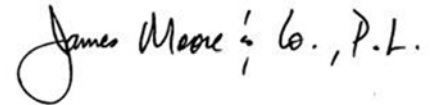
2477 Tim Gamble Place, Suite 200
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Telephone: 850-386-6184

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Gainesville, Florida
May 12, 2021

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Todd Newton, Clerk of the Circuit Court,
Gilchrist County, Florida:

We have audited the financial statements of the Gilchrist County Clerk of the Circuit Court (the Office), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 12, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 12, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Gilchrist County Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Gilchrist County, including the Office of the Clerk, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Gilchrist County Clerk of the Circuit Court to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

James Moore & Co., P.L.

Gainesville, Florida
May 12, 2021

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Todd Newton, Clerk of the Circuit Court,
Gilchrist County, Florida:

We have examined the Gilchrist County Clerk of the Circuit Court's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, Section 28.36, Florida Statutes, *Budget Procedure*, and Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees* (collectively, "the Statutes"), for the year ended September 30, 2020. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with the Statutes for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Gilchrist County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Gainesville, Florida
May 12, 2021

