

GILCHRIST COUNTY, FLORIDA
FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2021

**GILCHRIST COUNTY, FLORIDA
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SEPTEMBER 30, 2021**

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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, 2021, 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, 2021, 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.

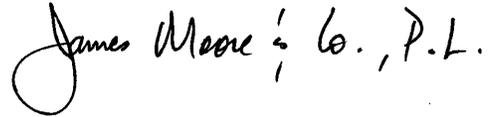
Other Information

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 11, 2022, 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 11, 2022

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, 2021, by \$28,284,496 (net position). Of this amount unrestricted net position amounted to \$3,431,661 due to the County recording its proportionate share of the Florida Retirement System's net pension liability of \$5,248,614.
- The County's long-term debt obligations decreased by \$332,639 due to regular scheduled loan payments. Additional debt issuance for \$199,635 were contracted for Transportation Equipment and Public Safety equipment.
- As of September 30, 2021, the County's governmental funds reported combined ending fund balances of \$18,325,999. Fund balances saw an increase of \$3,447,913 when compared to the prior year.
- The County purchased capital assets of buildings, improvements, infrastructure, and equipment in the amount of \$1,107,080.

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.

| | 2021 | 2020 |
|----------------------------------|--------------------------------|---------------|
| | <u>Governmental Activities</u> | |
| Current and other assets | \$ 21,185,565 | \$ 16,204,937 |
| Capital assets, net | 24,003,708 | 25,246,766 |
| Total assets | 45,189,273 | 41,451,703 |
| Deferred outflows | 4,061,568 | 6,612,381 |
| Other liabilities | 2,859,566 | 1,266,498 |
| Long-term liabilities | 7,865,516 | 21,552,026 |
| Total liabilities | 10,725,082 | 22,818,524 |
| Deferred inflows | 10,241,263 | 629,837 |
| Net position: | | |
| Net investment in capital assets | 22,516,238 | 23,626,292 |
| Restricted | 2,336,597 | 1,731,150 |
| Unrestricted | 3,431,661 | (741,719) |
| Total net position | \$ 28,284,496 | \$ 24,615,723 |

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, \$3,431,661 is unrestricted net position and \$2,336,597 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

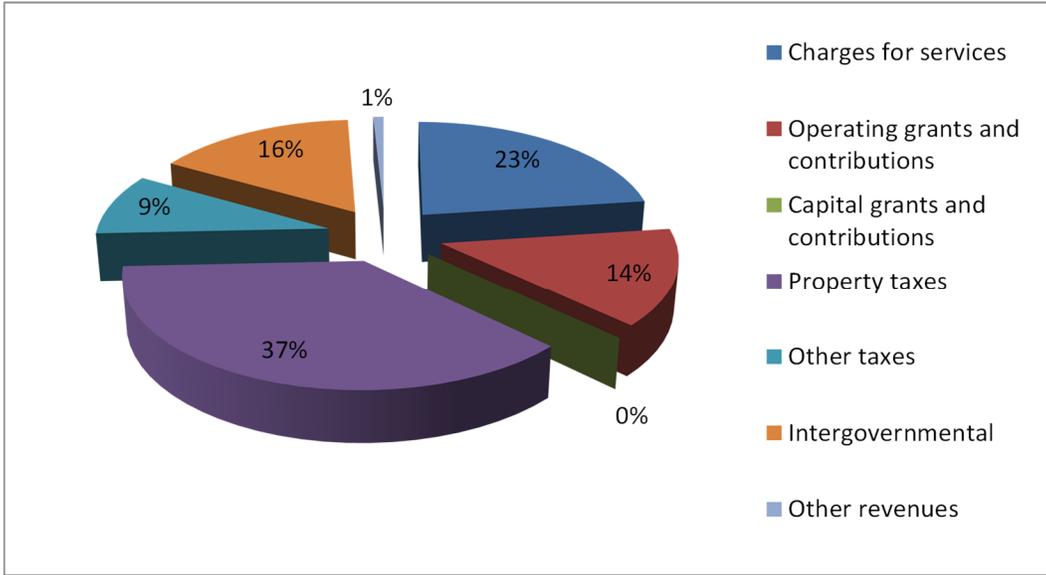
The following table reflects the condensed Statement of Activities for the current year as compared to the prior year. For more detailed information see the Statement of Activities.

| | 2021 | 2020 |
|------------------------------------|--------------------------------|----------------------|
| | <u>Governmental Activities</u> | |
| Program revenues: | | |
| Charges for services | \$ 5,386,610 | \$ 4,754,769 |
| Operating grants and contributions | 3,360,400 | 4,155,775 |
| Capital grants and contributions | - | 3,237,734 |
| General revenues: | | |
| Property taxes | 8,743,731 | 7,799,293 |
| Other taxes | 2,133,613 | 1,797,407 |
| Intergovernmental | 3,730,658 | 3,418,118 |
| Other revenues | 193,042 | 347,476 |
| Total revenues | 23,548,054 | 25,510,572 |
| Expenses: | | |
| General government | 4,563,974 | 5,907,035 |
| Public safety | 8,489,519 | 11,405,018 |
| Physical environment | 1,309,994 | 1,430,838 |
| Transportation | 2,962,243 | 5,904,978 |
| Economic environment | 182,259 | 481,417 |
| Human services | 687,370 | 771,677 |
| Culture and recreation | 763,655 | 792,714 |
| Court related | 871,290 | 982,166 |
| Interest on long-term debt | 48,977 | 47,287 |
| Total expenses | 19,879,281 | 27,723,130 |
| Change in net position | 3,668,773 | (2,212,558) |
| Net position - beginning of year | 24,615,723 | 26,828,281 |
| Net position - end of year | \$ 28,284,496 | \$ 24,615,723 |

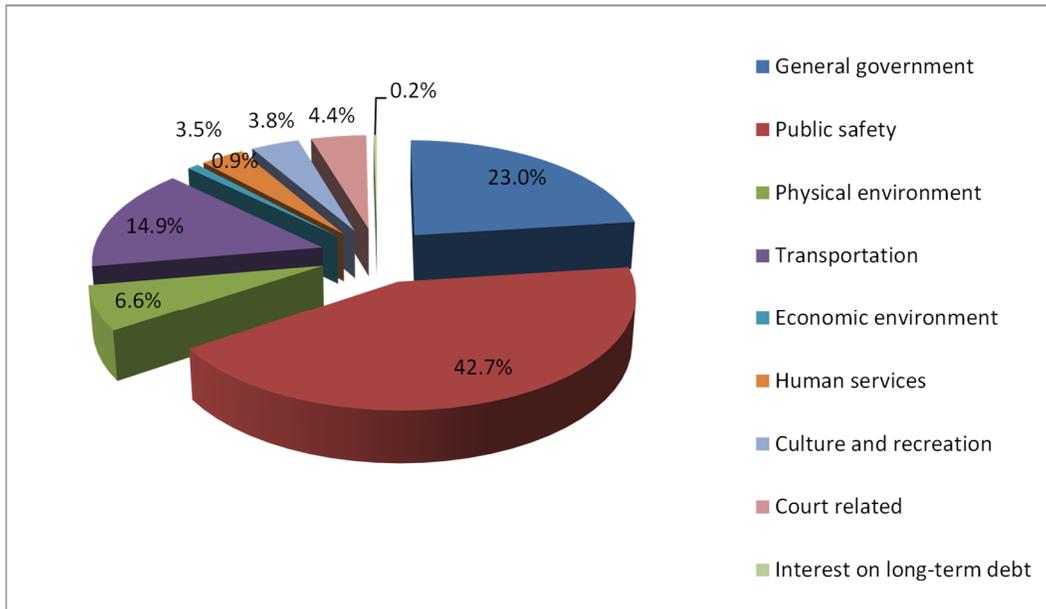
**Gilchrist County, Florida
Management's Discussion and Analysis (Continued)
(Unaudited)**

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, 2021, the County's governmental funds reported combined ending fund balances of \$18,325,999, an increase of \$3,447,913 in comparison with the prior year. Of the ending fund balance, \$9,559,131 is considered unassigned and can be spent at the discretion of the Board and \$2,336,597 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, 2021, the unassigned fund balance of the General Fund was \$9,559,640. 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 67.9% of total General Fund expenditures. The General Fund received CARES Act Funding in the amount of \$690,303. As of September 30, 2021, the fund balance of the General Fund increased by \$2,460,350 when compared to the prior fiscal year ending fund balance due to transfers .

The Coronavirus Recovery Fund is used to account for revenues and expenditures related to federal grant funds received from the American Rescue Plan Act (ARPA). During the current fiscal year, the fund balance increased by \$969. The increase came from the unexpended portion of ARPA funds received. The ending fund balance of the Coronavirus Recovery Fund was \$969. The unexpended funds are \$1,805,637 which will be spent for allowable expenditures.

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 \$9,375,256 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, 2021, amounted to \$24,003,708 (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:

- Improvements made on the road and boat ramp at Santa Fe Park \$1,089,000.

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

| | Governmental Activities | |
|--------------------------|--------------------------------|-------------------|
| | 2021 | 2020 |
| Land | \$ 1,301,695 | \$ 1,301,695 |
| Buildings, net | 7,124,551 | 7,403,145 |
| Infrastructure, net | 10,894,486 | 11,088,402 |
| Improvements, net | 2,225,375 | 2,411,607 |
| Equipment, net | 2,457,601 | 1,968,382 |
| Construction in Progress | - | 1,073,535 |
| Total | \$ 24,003,708 | \$ 25,246,766 |

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 | |
|----------------------------|--------------------------------|-------------------|
| | 2021 | 2020 |
| Notes payable | \$ 1,479,960 | \$ 1,620,474 |
| Capital leases | 7,510 | - |
| Landfill post-closure care | 42,712 | 42,206 |
| Compensated absences | 918,837 | 977,520 |
| Net pension liability | 5,248,614 | 18,771,850 |
| Total OPEB liability | 167,883 | 139,976 |
| Total | \$ 7,865,516 | \$ 21,552,026 |

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.

Conditions of Future Significance

The County will begin construction of a Jail Facility during the upcoming fiscal year. The estimated cost of this project is \$9.6 million dollars. The County secured a 20 year fixed rate loan at 3.66% interest in the amount of \$4,000,000.

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, 2021**

| | Governmental Activities |
|--|------------------------------------|
| ASSETS | |
| Cash and equivalents | \$ 16,468,684 |
| Investments | 3,322,920 |
| Accounts receivable, net | 217,171 |
| Due from other governments | 1,108,156 |
| Due from fiduciary funds | 31,121 |
| Inventory | 37,513 |
| Prepaid expenses | - |
| Capital assets: | |
| Non-depreciable | 1,301,695 |
| Depreciable, net | 22,702,013 |
| Total assets | \$ 45,189,273 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred outflows related to pensions | \$ 3,785,814 |
| Deferred outflows related to OPEB | 275,754 |
| Total deferred outflows of resources | \$ 4,061,568 |
| LIABILITIES | |
| Accounts payable and accrued liabilities | \$ 925,484 |
| Due to other governments | 128,648 |
| Due to fiduciary funds | 460 |
| Unearned revenue | 1,804,974 |
| Noncurrent liabilities: | |
| Due within one year | 603,043 |
| Due in more than one year | 1,845,976 |
| Total OPEB liability | 167,883 |
| Net pension liability | 5,248,614 |
| Total liabilities | \$ 10,725,082 |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred inflows related to pensions | \$ 10,240,811 |
| Deferred inflows related to OPEB | 452 |
| Total deferred inflows of resources | \$ 10,241,263 |
| NET POSITION | |
| Net investment in capital assets | \$ 22,516,238 |
| Restricted for: | |
| Law enforcement | 302,370 |
| Fire and EMS | 592,028 |
| Solid waste | 247,967 |
| Roads and transportation | 105,989 |
| Economic environment | 462,451 |
| Court related | 624,216 |
| Capital improvements | 1,576 |
| Unrestricted | 3,431,661 |
| Total net position | \$ 28,284,496 |

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, 2021**

| <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 | \$ 4,563,974 | \$ 533,852 | \$ 1,136,114 | \$ - | \$ (2,894,008) |
| Public safety | 8,489,519 | 2,748,548 | 176,034 | - | (5,564,937) |
| Physical environment | 1,309,994 | 815,603 | 324,009 | - | (170,382) |
| Transportation | 2,962,243 | 303,243 | 679,874 | - | (1,979,126) |
| Economic environment | 182,259 | 53,657 | 384,803 | - | 256,201 |
| Human services | 687,370 | - | - | - | (687,370) |
| Culture and recreation | 763,655 | 568,268 | 241,984 | - | 46,597 |
| Court related | 871,290 | 363,439 | 417,582 | - | (90,269) |
| Interest on long-term debt | 48,977 | - | - | - | (48,977) |
| Total | <u>19,879,281</u> | <u>5,386,610</u> | <u>3,360,400</u> | <u>-</u> | <u>(11,132,271)</u> |
| Total primary government | <u>\$ 19,879,281</u> | <u>\$ 5,386,610</u> | <u>\$ 3,360,400</u> | <u>\$ -</u> | <u>(11,132,271)</u> |
| General revenues: | | | | | |
| Property taxes | | | | | 8,743,731 |
| Sales taxes | | | | | 1,400,511 |
| Gas taxes | | | | | 514,512 |
| Tourist development tax | | | | | 146,032 |
| Communications service tax | | | | | 72,558 |
| Intergovernmental | | | | | 3,730,658 |
| Investment income | | | | | 36,425 |
| Miscellaneous | | | | | 156,617 |
| Total general revenues | | | | | <u>14,801,044</u> |
| Change in net position | | | | | <u>3,668,773</u> |
| Net position - beginning of year | | | | | <u>24,615,723</u> |
| Net position - end of year | | | | | <u>\$ 28,284,496</u> |

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

**GILCHRIST COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

| | <u>General Fund</u> | <u>Coronavirus Recovery Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Total</u> |
|---|-------------------------|--|--|----------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 10,643,150 | \$ 1,805,637 | \$ 4,019,897 | \$ 16,468,684 |
| Investments | 2,772,186 | - | 550,734 | 3,322,920 |
| Accounts receivable | 11,604 | - | 205,567 | 217,171 |
| Due from other governments | 952,300 | - | 155,856 | 1,108,156 |
| Inventory | 37,513 | - | - | 37,513 |
| Due from other funds | 324,232 | - | 306,905 | 631,137 |
| Total assets | <u>\$ 14,740,985</u> | <u>\$ 1,805,637</u> | <u>\$ 5,238,959</u> | <u>\$ 21,785,581</u> |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payable and accrued expenses | \$ 704,516 | \$ - | \$ 220,968 | \$ 925,484 |
| Due to other governments | 2,065 | - | 126,583 | 128,648 |
| Unearned revenue | - | 1,804,668 | 306 | 1,804,974 |
| Due to other funds | 482,615 | - | 117,861 | 600,476 |
| Total liabilities | <u>1,189,196</u> | <u>1,804,668</u> | <u>465,718</u> | <u>3,459,582</u> |
| Fund balances | | | | |
| Nonspendable: | | | | |
| Inventory | 37,513 | - | - | 37,513 |
| Restricted for: | | | | |
| Law enforcement | - | - | 302,370 | 302,370 |
| Fire and EMS | - | - | 592,028 | 592,028 |
| Physical environment | - | - | 247,967 | 247,967 |
| Roads and transportation | - | - | 105,989 | 105,989 |
| Economic environment | - | - | 462,451 | 462,451 |
| Court related | - | - | 624,216 | 624,216 |
| Capital improvements | - | - | 1,576 | 1,576 |
| Assigned to: | | | | |
| Fire and EMS | - | - | 1,393,636 | 1,393,636 |
| Roads and transportation | - | - | 1,006,991 | 1,006,991 |
| Capital improvements | - | - | 37,495 | 37,495 |
| Subsequent year's budget | 3,954,636 | - | - | 3,954,636 |
| Unassigned | 9,559,640 | 969 | (1,478) | 9,559,131 |
| Total fund balances | <u>13,551,789</u> | <u>969</u> | <u>4,773,241</u> | <u>18,325,999</u> |
| Total Liabilities, Deferred Inflows, and Fund Balances | <u>\$ 14,740,985</u> | <u>\$ 1,805,637</u> | <u>\$ 5,238,959</u> | <u>\$ 21,785,581</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, 2021

Total fund balances - Governmental Funds \$ 18,325,999

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 | 56,012,207 | |
| Less: accumulated depreciation | <u>(32,008,499)</u> | 24,003,708 |

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 | (5,248,614) | |
| Deferred outflows related to pensions | 3,785,814 | |
| Deferred inflows related to pensions | <u>(10,240,811)</u> | (11,703,611) |

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 | (167,883) | |
| Deferred outflows related to OPEB | 275,754 | |
| Deferred inflows related to OPEB | <u>(452)</u> | 107,419 |

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 | (1,479,960) | |
| Capital leases | (7,510) | |
| Landfill closure liability | (42,712) | |
| Compensated absences | <u>(918,837)</u> | (2,449,019) |

Net position of governmental activities \$ 28,284,496

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, 2021

| | <u>General Fund</u> | <u>Coronavirus Recovery Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Total</u> |
|--|-------------------------|--|--|----------------------|
| Revenues | | | | |
| Taxes | \$ 9,485,163 | \$ - | \$ 1,392,181 | \$ 10,877,344 |
| Permit, fees, and special assessments | 353,993 | - | 1,287,141 | 1,641,134 |
| Intergovernmental | 5,097,557 | - | 2,139,238 | 7,236,795 |
| Charges for services | 1,610,083 | - | 1,586,807 | 3,196,890 |
| Fines and forfeitures | 100 | - | 123,493 | 123,593 |
| Miscellaneous revenues | 410,552 | 969 | 121,167 | 532,688 |
| Total revenues | <u>16,957,448</u> | <u>969</u> | <u>6,650,027</u> | <u>23,608,444</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 4,644,885 | - | 74,512 | 4,719,397 |
| Public safety | 6,094,017 | - | 2,544,208 | 8,638,225 |
| Physical environment | 424,551 | - | 898,705 | 1,323,256 |
| Transportation | 268,988 | - | 1,476,701 | 1,745,689 |
| Economic environment | 100,401 | - | 74,830 | 175,231 |
| Human services | 675,431 | - | - | 675,431 |
| Culture and recreation | 626,251 | - | - | 626,251 |
| Court related | 355,362 | - | 506,318 | 861,680 |
| Capital outlay | 773,200 | - | 333,880 | 1,107,080 |
| Debt service: | | | | |
| Principal | 99,098 | - | 233,541 | 332,639 |
| Interest | 9,870 | - | 39,107 | 48,977 |
| Total expenditures | <u>14,072,054</u> | <u>-</u> | <u>6,181,802</u> | <u>20,253,856</u> |
| Excess (deficiency) of revenues over expenditures | <u>2,885,394</u> | <u>969</u> | <u>468,225</u> | <u>3,354,588</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 30,150 | - | 514,011 | 544,161 |
| Transfers out | (514,011) | - | (30,150) | (544,161) |
| Article V reversion | (621) | - | (105,689) | (106,310) |
| Loan proceeds | 59,438 | - | 140,197 | 199,635 |
| Total other financing sources (uses) | <u>(425,044)</u> | <u>-</u> | <u>518,369</u> | <u>93,325</u> |
| Net change in fund balance | <u>2,460,350</u> | <u>969</u> | <u>986,594</u> | <u>3,447,913</u> |
| Fund balance, beginning of year | 11,091,439 | - | 3,786,647 | 14,878,086 |
| Fund balance, end of year | <u>\$ 13,551,789</u> | <u>\$ 969</u> | <u>\$ 4,773,241</u> | <u>\$ 18,325,999</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, 2021

Net change in fund balances-total governmental funds **\$ 3,447,913**

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 | 1,107,080 |
| Depreciation expense | (2,350,138) |

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 | 332,639 |
| Issuance of long-term debt | (199,635) |

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 | (60,353) |
|---|----------|

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 | 58,683 |
| Total OPEB liability and related items | 103,984 |
| Net pension liability and related items | 1,229,106 |
| Landfill long-term care costs | (506) |

Change in net position of governmental activities **\$ 3,668,773**

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, 2021

| | Custodial Funds |
|---------------------------------------|----------------------------|
| ASSETS | |
| Cash and equivalents | \$ 1,035,774 |
| Due from other funds | 460 |
| Total assets | \$ 1,036,234 |
| LIABILITIES | |
| Accounts payable and accrued expenses | \$ 45,492 |
| Due to individuals | 18,730 |
| Due to other funds | 31,121 |
| Due to other governments | 637,752 |
| Total liabilities | \$ 733,095 |
| NET POSITION | \$ 303,139 |

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

GILCHRIST COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

| | Custodial Funds |
|--|----------------------------|
| Additions | |
| Taxes | \$ 16,378,494 |
| Charges for services | 422,922 |
| Permits, fees, and special assessments | 193,436 |
| Court related | 3,977,440 |
| Total additions | 20,972,292 |
| Deductions | |
| Court related payments | 3,906,327 |
| Payments to individuals | 1,133,897 |
| Payments to other governments | 5,947,564 |
| Payments to BOCC | 9,913,391 |
| Total deductions | 20,901,179 |
| Net change in fiduciary net position | 71,113 |
| Net position , beginning of year, as restated | 232,026 |
| Net position , end of year | \$ 303,139 |

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

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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, 2021

(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, 2021

(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.

Coronavirus Recovery Fund – The Coronavirus Recovery fund is used for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).

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, 2021

(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 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, 2021

(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, 2021

(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, 2021, 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 48 days. A copy of FLGIT's most recent financial statements can be found at <http://floridatrusionline.com>. At September 30, 2021, the County had \$3,123,618 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, 2021, 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 49 days. At September 30, 2021, the County had \$199,302 invested with Florida PRIME.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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, 2021, interfund balances consisted of:

| <u>Due to Other Funds</u> | <u>Due from Other Funds</u> | | | <u>Fiduciary Funds</u> | <u>Total</u> |
|---------------------------|-----------------------------|----------------------------------|------------------------------|------------------------|-------------------|
| | <u>General Fund</u> | <u>Coronavirus Recovery Fund</u> | <u>Nonmajor Governmental</u> | | |
| Governmental Funds | | | | | |
| General Fund | \$ - | \$ - | \$ 189,044 | \$ 460 | \$ 189,504 |
| Coronavirus Recovery Fund | - | - | - | - | - |
| Nonmajor Governmental | - | - | 117,861 | - | 117,861 |
| Fiduciary Funds | 31,121 | - | - | - | 31,121 |
| Total | <u>\$ 31,121</u> | <u>\$ -</u> | <u>\$ 306,905</u> | <u>\$ 460</u> | <u>\$ 338,486</u> |

Transfers from/to other funds for the year ended September 30, 2021, 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 | \$ - | \$ 514,011 | \$ 514,011 |
| Nonmajor Governmental | 30,150 | - | 30,150 |
| Total | <u>\$ 30,150</u> | <u>\$ 514,011</u> | <u>\$ 544,161</u> |

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, 2021

(5) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2021, was as follows:

| <u>Governmental Activities:</u> | <u>Balance 10/1/20</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance 9/30/21</u> |
|--|-----------------------------|----------------------------|------------------------------|-----------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 1,301,695 | \$ - | \$ - | \$ 1,301,695 |
| Construction in progress | 1,073,535 | - | (1,073,535) | - |
| Total capital assets not being depreciated | <u>2,375,230</u> | <u>-</u> | <u>(1,073,535)</u> | <u>1,301,695</u> |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 12,502,922 | - | - | 12,502,922 |
| Infrastructure - roads | 23,417,184 | 1,089,080 | (166,212) | 24,340,052 |
| Machinery and equipment | 13,095,516 | 1,091,535 | - | 14,187,051 |
| Improvements | 3,680,487 | - | - | 3,680,487 |
| Total capital assets being depreciated | <u>52,696,109</u> | <u>2,180,615</u> | <u>(166,212)</u> | <u>54,710,512</u> |
| Less accumulated depreciation For: | | | | |
| Buildings and improvements | (5,099,777) | (278,594) | - | (5,378,371) |
| Infrastructure - roads | (12,328,782) | (1,116,784) | - | (13,445,566) |
| Machinery and equipment | (11,127,134) | (768,528) | 166,212 | (11,729,450) |
| Improvements | (1,268,880) | (186,232) | - | (1,455,112) |
| Total accumulated depreciation | <u>(29,824,573)</u> | <u>(2,350,138)</u> | <u>166,212</u> | <u>(32,008,499)</u> |
| Total capital assets, net of depreciation | 22,871,536 | (169,523) | - | 22,702,013 |
| Governmental activities capital assets, net | <u>\$ 25,246,766</u> | <u>\$ (169,523)</u> | <u>\$ (1,073,535)</u> | <u>\$ 24,003,708</u> |

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

| | |
|--|----------------------------|
| Governmental activities | |
| General government | \$ 239,828 |
| Public safety | 605,138 |
| Physical environment | 46,475 |
| Transportation | 1,272,057 |
| Economic environment | 10,047 |
| Human services | 19,098 |
| Culture and recreation | 157,495 |
| Total depreciation expense - governmental activities | <u><u>\$ 2,350,138</u></u> |

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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, 2021:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|--|------------------------------|-------------------|---------------------|---------------------------|--------------------------------|
| Governmental activities: | | | | | |
| Notes payable | \$ 1,620,474 | \$ 140,197 | \$ 280,711 | \$ 1,479,960 | \$ 293,509 |
| Capital leases | - | 59,438 | 51,928 | 7,510 | 7,510 |
| Landfill post-closure care | 42,206 | 506 | - | 42,712 | - |
| Compensated absences | 977,520 | 665,576 | 724,259 | 918,837 | 302,024 |
| Governmental activities - Total Long-Term Liabilities | <u>\$ 2,640,200</u> | <u>\$ 865,717</u> | <u>\$ 1,056,898</u> | <u>\$ 2,449,019</u> | <u>\$ 603,043</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> |
|----------------------------------|---------------------|-------------------|---------------------|
| 2022 | \$ 293,509 | \$ 42,445 | \$ 335,954 |
| 2023 | 275,723 | 34,987 | 310,710 |
| 2024 | 224,717 | 28,868 | 253,585 |
| 2025 | 165,622 | 22,057 | 187,679 |
| 2026 | 134,680 | 17,951 | 152,631 |
| 2027 - 2031 | 354,691 | 36,817 | 391,508 |
| 2032 - 2035 | 31,018 | 2,647 | 33,665 |
| Total | <u>\$ 1,479,960</u> | <u>\$ 185,772</u> | <u>\$ 1,665,732</u> |

Capital Leases

The County has one capital lease of vehicles relating to the Sheriff. The agreement bears no interest rate. The future minimum lease payments required and the present value of the net minimum lease payments at September 30, 2021 are \$7,510 due in monthly installments ending September 2022.

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(6) **Long-Term Liabilities:** (Continued)

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 \$42,712 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 \$87,000 for that requirement.

(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.

(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, 2021

(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, 2021

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

Contributions

The County participates in certain classes of FRS membership. Each class had descriptions and contribution rates in effect during the year ended September 30, 2021, as follows (contribution rates are in agreement with the actuarially determined rates):

| <u>FRS Membership Plan & Class</u> | <u>Through June 30, 2021</u> | <u>After June 30, 2021</u> |
|--|----------------------------------|--------------------------------|
| Regular Class | 10.00% | 10.82% |
| Senior Management | 27.29% | 29.01% |
| Special Risk | 24.45% | 25.89% |
| Elected Official | 49.18% | 51.42% |
| DROP | 10.00% | 10.82% |

Current-year employer HIS contributions were made at a rate of 1.66% of covered payroll, which are included in the above rates.

For the plan year ended June 30, 2021, actual contributions made for employees participating in FRS and HIS were as follows:

| | |
|------------------------------|--------------|
| Entity Contributions – FRS | \$ 1,292,713 |
| Entity Contributions – HIS | 128,679 |
| Employee Contributions – FRS | 232,553 |

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

At September 30, 2021, the entity reported a liability related to FRS and HIS as follows:

| <u>Plan</u> | <u>Net Pension Liability</u> |
|-------------|----------------------------------|
| FRS | \$ 2,563,276 |
| HIS | 2,685,338 |
| Total | <u>\$ 5,248,614</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>2021</u> | <u>2020</u> |
|-------------|--------------|--------------|
| FRS | 0.033933315% | 0.037099334% |
| HIS | 0.021891630% | 0.022051500% |

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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

For the year ended June 30, 2021, pension expense was recognized related to the FRS and HIS plans as follows:

| | |
|-------|-------------------|
| FRS | \$ 4,025 |
| HIS | 203,075 |
| Total | <u>\$ 207,100</u> |

Deferred outflows/inflows related to pensions:

At September 30, 2021, 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 | \$ 439,350 | \$ - | \$ 89,858 | \$ (1,125) |
| Changes of assumptions | 1,753,921 | - | 211,007 | (110,643) |
| Net difference between projected and actual investment earnings | - | (8,942,627) | 2,799 | - |
| Change in proportionate share | 724,364 | (1,047,384) | 197,165 | (139,032) |
| Contributions subsequent to measurement date | 335,747 | - | 31,603 | - |
| | <u>\$ 3,253,382</u> | <u>\$ (9,990,011)</u> | <u>\$ 532,432</u> | <u>\$ (250,800)</u> |

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, 2022.

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:

| | FRS | HIS | Total |
|------------|-----------------------|-------------------|-----------------------|
| 2022 | \$ (1,195,263) | \$ 66,546 | \$(1,128,717) |
| 2023 | (1,416,403) | 39,244 | (1,377,159) |
| 2024 | (1,885,220) | 55,553 | (1,829,667) |
| 2025 | (2,468,540) | 60,322 | (2,408,218) |
| 2026 | (106,950) | 25,058 | (81,892) |
| Thereafter | - | 3,306 | 3,306 |
| Total | <u>\$ (6,749,356)</u> | <u>\$ 250,029</u> | <u>\$ (6,822,347)</u> |

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, 2021

(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.

| Asset Class | Target Allocation | Annual Arithmetic Expected Rate of Return |
|-----------------------|--------------------------|--|
| Cash | 1.0% | 2.1% |
| Fixed income | 20.0% | 3.8% |
| Global equities | 54.2% | 8.2% |
| Real estate | 10.3% | 7.1% |
| Private equity | 10.8% | 11.7% |
| Strategic investments | 3.7% | 5.7% |
| Total | 100.0% | |

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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% | \$ 11,463,143 | \$ 2,563,276 | \$ (4,876,015) |
| HIS | 2.16% | 3,104,510 | 2,685,338 | 2,341,919 |

(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, 2020, 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 \$167,883 was measured as of September 30, 2021, and was determined by an actuarial valuation at October 1, 2020.

Actuarial Assumptions and Other Inputs—The total OPEB liability at the September 30, 2021 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 | | 2.14% |
| Healthcare cost trend rate | 6.0% 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, 2021.

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, 2021

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

Changes in the OPEB liability for the fiscal year ended September 30, 2021, were as follows:

| | Total OPEB Liability |
|--|---------------------------------|
| Balance at September 30, 2020 | \$ 139,976 |
| Changes for a year: | |
| Service cost | 10,260 |
| Interest | 5,226 |
| Difference between projected and actual experience | - |
| Assumption changes | 18,582 |
| Benefit payments – implicit rate subsidy | (6,161) |
| Net changes | 27,907 |
| Balance at September 30, 2021 | \$ 167,883 |

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 2.14%, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.14%) or 1% higher (3.14%) than the current rate:

| | 1% Decrease | Current Discount Rate | 1% Increase |
|----------------------|--------------------|----------------------------------|--------------------|
| Total OPEB Liability | \$ 181,896 | \$ 167,883 | \$ 154,103 |

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 | \$ 155,476 | \$ 167,883 | \$ 178,869 |

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

For the year ended September 30, 2021, the County recognized OPEB expense of \$54,416. At September 30, 2021, 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 | \$ 104,251 | \$ - |
| Changes of assumptions | 24,943 | (2,250) |
| Total | \$ 129,194 | \$ (2,250) |

GILCHRIST COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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> |
|---------------------------------|---------------------|
| 2022 | \$ 35,049 |
| 2023 | 35,049 |
| 2024 | 35,496 |
| 2025 | 19,663 |
| 2026 | 1,687 |
| Total | <u>\$ 126,944</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. 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.
- (b) GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022.

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, 2021
(UNAUDITED)

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|---------------------|----------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 9,093,033 | \$ 9,093,033 | \$ 9,485,163 | \$ 392,130 |
| Permit, fees, and special assessments | 246,400 | 246,400 | 353,993 | 107,593 |
| Intergovernmental | 11,321,741 | 11,606,169 | 5,097,557 | (6,508,612) |
| Charges for services | 1,173,602 | 1,213,405 | 1,610,083 | 396,678 |
| Fines and forfeitures | 500 | 500 | 100 | (400) |
| Miscellaneous revenues | 445,981 | 483,419 | 410,552 | (72,867) |
| Total revenues | 22,281,257 | 22,642,926 | 16,957,448 | (5,685,478) |
| Expenditures | | | | |
| Current: | | | | |
| General government | 6,575,921 | 6,734,837 | 4,644,885 | 2,089,952 |
| Public safety | 6,772,884 | 6,893,482 | 6,094,017 | 799,465 |
| Physical environment | 467,587 | 467,587 | 424,551 | 43,036 |
| Transportation | 3,500,000 | 3,500,000 | 268,988 | 3,231,012 |
| Economic environment | 174,194 | 174,194 | 100,401 | 73,793 |
| Human services | 776,898 | 776,898 | 675,431 | 101,467 |
| Culture and recreation | 582,558 | 582,558 | 626,251 | (43,693) |
| Court related | 478,623 | 478,623 | 355,362 | 123,261 |
| Capital outlay | 3,789,055 | 3,789,055 | 773,200 | 3,015,855 |
| Debt service: | | | | |
| Principal | 39,648 | 39,648 | 99,098 | (59,450) |
| Interest | 10,428 | 10,428 | 9,870 | 558 |
| Total expenditures | 23,167,796 | 23,447,310 | 14,072,054 | 9,375,256 |
| Excess (deficiency) of revenues over expenditures | (886,539) | (804,384) | 2,885,394 | 3,689,778 |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | 30,150 | 30,150 |
| Transfers out | (514,011) | (514,011) | (514,011) | - |
| Article V reversion | - | - | (621) | (621) |
| Loan proceeds | - | - | 59,438 | 59,438 |
| Total other financing sources (uses) | (514,011) | (514,011) | (425,044) | 88,967 |
| Net change in fund balance | (1,400,550) | (1,318,395) | 2,460,350 | 3,778,745 |
| Fund balance, beginning of year | 11,091,439 | 11,091,439 | 11,091,439 | - |
| Fund balance, end of year | \$ 9,690,889 | \$ 9,773,044 | \$ 13,551,789 | \$ 3,778,745 |

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 - CORONAVIRUS RECOVERY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(UNAUDITED)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Miscellaneous revenues | \$ - | \$ - | \$ 969 | \$ 969 |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>969</u> | <u>969</u> |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>969</u> | <u>969</u> |
| Fund balance, beginning of year | - | - | - | - |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 969</u> | <u>\$ 969</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, 2021
(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>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Total OPEB Liability | | | | |
| Service cost | \$ 15,683 | \$ 10,260 | \$ 7,512 | \$ 8,003 |
| Interest | 3,684 | 5,226 | 5,572 | 5,204 |
| Changes of assumptions | - | 18,582 | - | (4,947) |
| Benefit payments - implicit rate subsidy | (7,089) | (6,161) | (12,636) | (15,155) |
| Other changes | - | (12,005) | - | - |
| Net change in total OPEB liability | <u>12,278</u> | <u>15,902</u> | <u>448</u> | <u>(6,895)</u> |
| Total OPEB liability - beginning of year | 167,883 | 151,981 | 151,533 | 158,428 |
| Total OPEB liability - end of year | <u><u>\$ 180,161</u></u> | <u><u>\$ 167,883</u></u> | <u><u>\$ 151,981</u></u> | <u><u>\$ 151,533</u></u> |
| | | | | |
| Covered payroll | \$ 8,504,469 | \$ 7,651,920 | \$ 7,874,524 | \$ 7,130,016 |
| Total OPEB liability as a percentage of covered payroll | 2.12% | 2.19% | 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 following are the

| | | | | |
|---------------|-------|-------|-------|-------|
| Discount rate | 2.14% | 3.68% | 3.74% | 3.36% |
|---------------|-------|-------|-------|-------|

*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, | | | | | | |
|---|------------------------------------|---------------|---------------|---------------|--------------|--------------|--------------|
| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Florida Retirement System (FRS) | | | | | | | |
| Proportion of the net pension liability | 0.033933315% | 0.037099334% | 0.036662746% | 0.033407453% | 0.033119964% | 0.031670351% | 0.031370689% |
| Proportionate share of the net pension liability | \$ 2,563,276 | \$ 16,079,398 | \$ 12,626,139 | \$ 10,062,498 | \$ 9,796,663 | \$ 7,996,789 | \$ 4,051,945 |
| Covered payroll | 7,751,758 | 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 | 33.07% | 210.05% | 165.01% | 150.56% | 145.57% | 129.43% | 64.55% |
| Plan fiduciary net position as a percentage of the total pension liability | 96.40% | 78.85% | 82.61% | 84.26% | 83.89% | 84.88% | 92.00% |
| Health Insurance Subsidy Program (HIS) | | | | | | | |
| Proportion of the net pension liability | 0.021891630% | 0.022051500% | 0.022874858% | 0.020947643% | 0.020442731% | 0.020106105% | 0.020906499% |
| Proportionate share of the net pension liability | \$ 2,685,338 | \$ 2,692,452 | \$ 2,559,468 | \$ 2,217,123 | \$ 2,185,831 | \$ 2,343,283 | \$ 2,132,135 |
| Covered payroll | 7,751,758 | 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 | 34.64% | 35.17% | 33.45% | 33.17% | 32.48% | 37.93% | 33.97% |
| Plan fiduciary net position as a percentage of the total pension liability | 3.56% | 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, | | | | | | |
|--|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Florida Retirement System (FRS) | | | | | | | |
| Contractually required contribution | \$ 1,308,064 | \$ 1,232,646 | \$ 1,136,810 | \$ 952,086 | \$ 862,194 | \$ 810,666 | \$ 1,942,425 |
| Contributions in relation to the contractually required contribution | (1,308,064) | (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> | <u>\$ -</u> |
| Covered payroll | \$ 7,719,443 | \$ 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 | 16.95% | 16.10% | 14.86% | 14.25% | 12.81% | 13.12% | 30.94% |
| Health Insurance Subsidy Program (HIS) | | | | | | | |
| Contractually required contribution | \$ 128,143 | \$ 127,072 | \$ 127,022 | \$ 110,941 | \$ 111,717 | \$ 102,566 | \$ 79,094 |
| Contributions in relation to the contractually required contribution | (128,143) | (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> | <u>\$ -</u> |
| Covered payroll | \$ 7,719,443 | \$ 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% | 1.66% | 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 information is available.

SUPPLEMENTAL INFORMATION

**GILCHRIST COUNTY, FLORIDA
COMBINING BALANCE SHEET
BOARD AND OFFICER GENERAL FUNDS
SEPTEMBER 30, 2021**

| | 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 | \$ 9,978,319 | \$ 51,012 | \$ 497,901 | \$ 20,422 | \$ 52,878 | \$ 42,618 | \$ 10,643,150 | \$ - | \$ 10,643,150 |
| Investments | 2,772,186 | - | - | - | - | - | 2,772,186 | - | 2,772,186 |
| Accounts receivable | 7,042 | 1,710 | - | - | 2,762 | 90 | 11,604 | - | 11,604 |
| Due from other governments | 952,300 | - | - | - | - | - | 952,300 | - | 952,300 |
| Inventory | 37,513 | - | - | - | - | - | 37,513 | - | 37,513 |
| Due from constitutional officers | 402,036 | - | - | - | - | - | 402,036 | (402,036) | - |
| Due from other funds | 113,394 | 523 | - | - | - | - | 113,917 | 210,315 | 324,232 |
| Total assets | <u>\$ 14,262,790</u> | <u>\$ 53,245</u> | <u>\$ 497,901</u> | <u>\$ 20,422</u> | <u>\$ 55,640</u> | <u>\$ 42,708</u> | <u>\$ 14,932,706</u> | <u>\$ (191,721)</u> | <u>\$ 14,740,985</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Accounts payable and accrued expenses | \$ 416,846 | \$ 26,000 | \$ 242,914 | \$ - | \$ 414 | \$ 18,342 | \$ 704,516 | \$ - | \$ 704,516 |
| Due to other governments | 1,354 | - | - | - | 621 | 90 | 2,065 | - | 2,065 |
| Due to Board of County Commissioners | - | 26,935 | 254,987 | 20,422 | 54,605 | 24,276 | 381,225 | (381,225) | - |
| Due to other funds | 292,801 | 310 | - | - | - | - | 293,111 | 189,504 | 482,615 |
| Total liabilities | <u>711,001</u> | <u>53,245</u> | <u>497,901</u> | <u>20,422</u> | <u>55,640</u> | <u>42,708</u> | <u>1,380,917</u> | <u>(191,721)</u> | <u>1,189,196</u> |
| Fund Balances | | | | | | | | | |
| Nonspendable: | | | | | | | | | |
| Inventory | 37,513 | - | - | - | - | - | 37,513 | - | 37,513 |
| Assigned to: | | | | | | | | | |
| Subsequent year's budget | 3,954,636 | - | - | - | - | - | 3,954,636 | - | 3,954,636 |
| Unassigned | 9,559,640 | - | - | - | - | - | 9,559,640 | - | 9,559,640 |
| Total fund balances | <u>13,551,789</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>13,551,789</u> | <u>-</u> | <u>13,551,789</u> |
| Total Liabilities and Fund Balances | <u>\$ 14,262,790</u> | <u>\$ 53,245</u> | <u>\$ 497,901</u> | <u>\$ 20,422</u> | <u>\$ 55,640</u> | <u>\$ 42,708</u> | <u>\$ 14,932,706</u> | <u>\$ (191,721)</u> | <u>\$ 14,740,985</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, 2021

| | Board of County Commissioners | Clerk of Circuit Court | Sheriff | Tax Collector | Property Appraiser | Supervisor of Elections | Subtotals | Interfund Eliminations | Totals |
|--|-------------------------------------|------------------------------|--------------------|------------------|-----------------------|----------------------------|----------------------|---------------------------|----------------------|
| Revenues | | | | | | | | | |
| Taxes | \$ 9,485,163 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,485,163 | \$ - | \$ 9,485,163 |
| Permit, fees, and special assessments | 353,993 | - | - | - | - | - | 353,993 | - | 353,993 |
| Intergovernmental | 5,081,636 | - | - | - | 15,921 | - | 5,097,557 | - | 5,097,557 |
| Charges for services | 1,447,423 | 159,227 | - | - | 3,295 | 138 | 1,610,083 | - | 1,610,083 |
| Fines and forfeitures | 100 | - | - | - | - | - | 100 | - | 100 |
| Miscellaneous revenues | 399,060 | 11,254 | - | - | 178 | 60 | 410,552 | - | 410,552 |
| Total revenues | <u>16,767,375</u> | <u>170,481</u> | <u>-</u> | <u>-</u> | <u>19,394</u> | <u>198</u> | <u>16,957,448</u> | <u>-</u> | <u>16,957,448</u> |
| Expenditures | | | | | | | | | |
| Current: | | | | | | | | | |
| General government | 2,546,984 | 531,749 | - | 599,252 | 596,052 | 370,848 | 4,644,885 | - | 4,644,885 |
| Public safety | 1,073,581 | - | 5,020,436 | - | - | - | 6,094,017 | - | 6,094,017 |
| Physical environment | 424,551 | - | - | - | - | - | 424,551 | - | 424,551 |
| Transportation | 268,988 | - | - | - | - | - | 268,988 | - | 268,988 |
| Economic environment | 100,401 | - | - | - | - | - | 100,401 | - | 100,401 |
| Human services | 675,431 | - | - | - | - | - | 675,431 | - | 675,431 |
| Culture and recreation | 626,251 | - | - | - | - | - | 626,251 | - | 626,251 |
| Court related | 73,440 | - | 281,922 | - | - | - | 355,362 | - | 355,362 |
| Capital outlay | 194,918 | 3,223 | 438,101 | 3,044 | 118,665 | 15,249 | 773,200 | - | 773,200 |
| Debt service: | | | | | | | | | |
| Principal | 47,170 | - | 51,928 | - | - | - | 99,098 | - | 99,098 |
| Interest | 9,870 | - | - | - | - | - | 9,870 | - | 9,870 |
| Total expenditures | <u>6,041,585</u> | <u>534,972</u> | <u>5,792,387</u> | <u>602,296</u> | <u>714,717</u> | <u>386,097</u> | <u>14,072,054</u> | <u>-</u> | <u>14,072,054</u> |
| Excess (deficiency) of revenues over expenditures | <u>10,725,790</u> | <u>(364,491)</u> | <u>(5,792,387)</u> | <u>(602,296)</u> | <u>(695,323)</u> | <u>(385,899)</u> | <u>2,885,394</u> | <u>-</u> | <u>2,885,394</u> |
| Other financing sources (uses) | | | | | | | | | |
| Transfers in | - | 30,150 | - | - | - | - | 30,150 | - | 30,150 |
| Transfers out | (514,011) | - | - | - | - | - | (514,011) | - | (514,011) |
| Appropriations to constitutional officers | (8,088,015) | 361,676 | 5,976,249 | 622,718 | 724,226 | 403,146 | - | - | - |
| Article V reversion | - | - | - | - | (621) | - | (621) | - | (621) |
| Reversions from constitutional officers | 336,586 | (27,335) | (243,300) | (20,422) | (28,282) | (17,247) | - | - | - |
| Issuance of debt | - | - | 59,438 | - | - | - | 59,438 | - | 59,438 |
| Total other financing sources (uses) | <u>(8,265,440)</u> | <u>364,491</u> | <u>5,792,387</u> | <u>602,296</u> | <u>695,323</u> | <u>385,899</u> | <u>(425,044)</u> | <u>-</u> | <u>(425,044)</u> |
| Net change in fund balances | <u>2,460,350</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,460,350</u> | <u>-</u> | <u>2,460,350</u> |
| Fund balances, beginning of year | 11,091,439 | - | - | - | - | - | 11,091,439 | - | 11,091,439 |
| Fund balances, end of year | <u>\$ 13,551,789</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 13,551,789</u> | <u>\$ -</u> | <u>\$ 13,551,789</u> |

See accompanying notes to financial statements.

**GILCHRIST COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
(CONTINUED)**

| | Special Revenue | | | | | | | | | | | |
|--|-----------------------------|-----------------------|-------------------|-------------------|---------------------|--------------------------|-----------------------------------|-----------------|-------------------|-------------------|----------------------|---------------------|
| | Law Enforcement Trust | Federal Forfeiture | Fire District | Court Facility | Transportation | Transportation Impact | State Attorney Public Defender | CDBG | SHIP | E911 | Capital Surcharge | EMS |
| ASSETS | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 31,237 | \$ 10,621 | \$ 480,255 | \$ 92,977 | \$ 935,169 | \$ 106,078 | \$ 205,638 | \$ (213) | \$ 462,757 | \$ 175,464 | \$ 30,051 | \$ 934,005 |
| Investments | - | - | 87,390 | 37,476 | 13,632 | - | - | - | - | 24,512 | 2,373 | 79,712 |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - | - | 203,548 |
| Due from other governments | - | - | 279 | - | 114,869 | - | - | 5,618 | - | 11,625 | - | 502 |
| Due from other funds | - | - | 42,180 | 3,380 | - | - | 2,361 | - | - | - | 872 | 250,836 |
| Total assets | \$ 31,237 | \$ 10,621 | \$ 610,104 | \$ 133,833 | \$ 1,063,670 | \$ 106,078 | \$ 207,999 | \$ 5,405 | \$ 462,757 | \$ 211,601 | \$ 33,296 | \$ 1,468,603 |
| LIABILITIES AND FUND BALANCES AND FUND BALANCES | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | |
| Accounts payable and accrued expenses | \$ - | \$ - | \$ 18,076 | \$ - | \$ 56,679 | \$ 89 | \$ - | \$ - | \$ - | \$ 12,099 | \$ - | \$ 74,967 |
| Due to other governments | - | - | - | - | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - | - | - | 306 | - | - | - |
| Due to other funds | - | 11 | - | - | - | - | - | 6,883 | - | - | (1) | - |
| Total liabilities | - | 11 | 18,076 | - | 56,679 | 89 | - | 6,883 | 306 | 12,099 | (1) | 74,967 |
| Fund balances | | | | | | | | | | | | |
| Restricted for: | | | | | | | | | | | | |
| Law enforcement | 31,237 | 10,610 | - | - | - | - | - | - | - | 199,502 | 33,297 | - |
| Fire and EMS | - | - | 592,028 | - | - | - | - | - | - | - | - | - |
| Solid waste | - | - | - | - | - | - | - | - | - | - | - | - |
| Roads and transportation | - | - | - | - | - | 105,989 | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | 462,451 | - | - | - |
| Court related | - | - | - | 133,833 | - | - | 207,999 | - | - | - | - | - |
| Capital improvements | - | - | - | - | - | - | - | - | - | - | - | - |
| Assigned to: | | | | | | | | | | | | |
| Fire and EMS | - | - | - | - | - | - | - | - | - | - | - | 1,393,636 |
| Roads and transportation | - | - | - | - | 1,006,991 | - | - | - | - | - | - | - |
| Capital improvements | - | - | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | (1,478) | - | - | - | - |
| Total fund balances | 31,237 | 10,610 | 592,028 | 133,833 | 1,006,991 | 105,989 | 207,999 | (1,478) | 462,451 | 199,502 | 33,297 | 1,393,636 |
| Total Liabilities and Fund Balances | \$ 31,237 | \$ 10,621 | \$ 610,104 | \$ 133,833 | \$ 1,063,670 | \$ 106,078 | \$ 207,999 | \$ 5,405 | \$ 462,757 | \$ 211,601 | \$ 33,296 | \$ 1,468,603 |

See accompanying notes to financial statements.

**GILCHRIST COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
(CONTINUED)**

| | | | | | | | Capital Projects | | Total |
|--|-------------------|---------------------------|-----------------------------|-------------------|-----------------------------|------------------------|------------------|-----------------|---------------------|
| | Solid Waste | Law Enforcement Education | Clerk Records Modernization | Clerk Title IV-D | Clerk Fines and Forfeitures | Sheriff Inmate Welfare | Capital Projects | Capital Impact | |
| ASSETS | | | | | | | | | |
| Cash and cash equivalents | \$ 122,600 | \$ 15,595 | \$ 97,025 | \$ 106,074 | \$ 200,954 | \$ 11,908 | \$ 126 | \$ 1,576 | \$ 4,019,897 |
| Investments | 268,270 | - | - | - | - | - | 37,369 | - | 550,734 |
| Accounts receivable | 1,639 | - | - | - | 380 | - | - | - | 205,567 |
| Due from other governments | 7,817 | - | - | 15,146 | - | - | - | - | 155,856 |
| Due from other funds | 113 | 222 | 4,466 | 2 | 2,473 | - | - | - | 306,905 |
| Total assets | <u>\$ 400,439</u> | <u>\$ 15,817</u> | <u>\$ 101,491</u> | <u>\$ 121,222</u> | <u>\$ 203,807</u> | <u>\$ 11,908</u> | <u>\$ 37,495</u> | <u>\$ 1,576</u> | <u>\$ 5,238,959</u> |
| LIABILITIES AND FUND BALANCES AND FUND BALANCES | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Accounts payable and accrued expenses | \$ 45,971 | \$ - | \$ 1,759 | \$ 1,625 | \$ 9,703 | \$ - | \$ - | \$ - | \$ 220,968 |
| Due to other governments | - | - | - | - | 126,583 | - | - | - | 126,583 |
| Unearned revenue | - | - | - | - | - | - | - | - | 306 |
| Due to other funds | 106,501 | 1 | - | - | 4,466 | - | - | - | 117,861 |
| Total liabilities | <u>152,472</u> | <u>1</u> | <u>1,759</u> | <u>1,625</u> | <u>140,752</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>465,718</u> |
| Fund balances | | | | | | | | | |
| Restricted for: | | | | | | | | | |
| Law enforcement | - | 15,816 | - | - | - | 11,908 | - | - | 302,370 |
| Fire and EMS | - | - | - | - | - | - | - | - | 592,028 |
| Solid waste | 247,967 | - | - | - | - | - | - | - | 247,967 |
| Roads and transportation | - | - | - | - | - | - | - | - | 105,989 |
| Economic environment | - | - | - | - | - | - | - | - | 462,451 |
| Court related | - | - | 99,732 | 119,597 | 63,055 | - | - | - | 624,216 |
| Capital improvements | - | - | - | - | - | - | - | 1,576 | 1,576 |
| Assigned to: | | | | | | | | | |
| Fire and EMS | - | - | - | - | - | - | - | - | 1,393,636 |
| Roads and transportation | - | - | - | - | - | - | - | - | 1,006,991 |
| Capital improvements | - | - | - | - | - | - | 37,495 | - | 37,495 |
| Unassigned | - | - | - | - | - | - | - | - | (1,478) |
| Total fund balances | <u>247,967</u> | <u>15,816</u> | <u>99,732</u> | <u>119,597</u> | <u>63,055</u> | <u>11,908</u> | <u>37,495</u> | <u>1,576</u> | <u>4,773,241</u> |
| Total Liabilities and Fund Balances | <u>\$ 400,439</u> | <u>\$ 15,817</u> | <u>\$ 101,491</u> | <u>\$ 121,222</u> | <u>\$ 203,807</u> | <u>\$ 11,908</u> | <u>\$ 37,495</u> | <u>\$ 1,576</u> | <u>\$ 5,238,959</u> |

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
(CONTINUED)

| | Special Revenue | | | | | | | | | | | |
|--|-----------------------|--------------------|-------------------|-------------------|---------------------|-----------------------|--------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| | Law Enforcement Trust | Federal Forfeiture | Fire District | Court Facility | Transportation | Transportation Impact | State Attorney Public Defender | CDBG | SHIP | E911 | Capital Surcharge | EMS |
| Revenues | | | | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ 514,512 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 877,669 |
| Permit, fees, and special assessments | - | - | 632,451 | - | 34,255 | - | - | - | - | - | - | - |
| Intergovernmental | - | - | 64,422 | - | 682,343 | - | - | 10,258 | 374,545 | 48,370 | - | 447,992 |
| Charges for services | - | - | - | 42,506 | 6,459 | - | 24,392 | - | - | 154,187 | 11,849 | 901,753 |
| Fines and forfeitures | 15,877 | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous revenues | 43 | 9 | 1,265 | 166 | 42,842 | 186 | 177 | - | 54,058 | 11,704 | 24 | 752 |
| Total revenues | 15,920 | 9 | 698,138 | 42,672 | 1,280,411 | 186 | 24,569 | 10,258 | 428,603 | 214,261 | 11,873 | 2,228,166 |
| Expenditures | | | | | | | | | | | | |
| Current: | | | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - | - | - |
| Public safety | 3,390 | - | 492,664 | - | 890 | - | - | - | - | 169,630 | - | 1,857,317 |
| Physical environment | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | 1,476,701 | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | 12,086 | 62,744 | - | - | - |
| Court related | - | - | - | 1,870 | - | - | 9,132 | - | - | - | - | - |
| Capital outlay | - | - | 23,541 | 39,407 | 167,170 | 89 | - | - | - | - | - | 83,570 |
| Debt service: | | | | | | | | | | | | |
| Principal | - | - | 69,770 | - | 93,638 | - | - | - | - | - | - | 70,133 |
| Interest | - | - | 8,307 | - | 25,310 | - | - | - | - | - | - | 5,490 |
| Total expenditures | 3,390 | - | 594,282 | 41,277 | 1,763,709 | 89 | 9,132 | 12,086 | 62,744 | 169,630 | - | 2,016,510 |
| Excess (deficiency) of revenues over expenditures | 12,530 | 9 | 103,856 | 1,395 | (483,298) | 97 | 15,437 | (1,828) | 365,859 | 44,631 | 11,873 | 211,656 |
| Other financing sources (uses) | | | | | | | | | | | | |
| Transfers in | - | - | - | - | 514,011 | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - | - |
| Other external reversion | - | - | - | - | - | - | - | - | - | - | - | - |
| Issuance of debt | - | - | - | - | 140,197 | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | 654,208 | - | - | - | - | - | - | - |
| Net change in fund balance | 12,530 | 9 | 103,856 | 1,395 | 170,910 | 97 | 15,437 | (1,828) | 365,859 | 44,631 | 11,873 | 211,656 |
| Fund balance, beginning of year | 18,707 | 10,601 | 488,172 | 132,438 | 836,081 | 105,892 | 192,562 | 350 | 96,592 | 154,871 | 21,424 | 1,181,980 |
| Fund balance, end of year | \$ 31,237 | \$ 10,610 | \$ 592,028 | \$ 133,833 | \$ 1,006,991 | \$ 105,989 | \$ 207,999 | \$ (1,478) | \$ 462,451 | \$ 199,502 | \$ 33,297 | \$ 1,393,636 |

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
(CONTINUED)

| | | | | | | | Capital Projects | | Total |
|--|-------------------|---------------------------------|-----------------------------------|------------------------|-----------------------------------|------------------------------|---------------------|-------------------|---------------------|
| | Solid Waste | Law Enforcement Education | Clerk Records Modernization | Clerk Title IV-D | Clerk Fines and Forfeitures | Sheriff Inmate Welfare | Capital Projects | Capital Impact | |
| Revenues | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,392,181 |
| Permit, fees, and special assessments | 620,435 | - | - | - | - | - | - | - | 1,287,141 |
| Intergovernmental | 95,471 | - | - | 106,371 | 309,466 | - | - | - | 2,139,238 |
| Charges for services | 195,168 | - | 46,380 | - | 183,728 | 20,385 | - | - | 1,586,807 |
| Fines and forfeitures | - | 2,921 | - | - | 104,695 | - | - | - | 123,493 |
| Miscellaneous revenues | 973 | 12 | 132 | - | 8,736 | 26 | 59 | 3 | 121,167 |
| Total revenues | <u>912,047</u> | <u>2,933</u> | <u>46,512</u> | <u>106,371</u> | <u>606,625</u> | <u>20,411</u> | <u>59</u> | <u>3</u> | <u>6,650,027</u> |
| Expenditures | | | | | | | | | |
| Current: | | | | | | | | | |
| General government | - | - | 6,500 | 68,012 | - | - | - | - | 74,512 |
| Public safety | - | - | - | - | - | 20,317 | - | - | 2,544,208 |
| Physical environment | 898,705 | - | - | - | - | - | - | - | 898,705 |
| Transportation | - | - | - | - | - | - | - | - | 1,476,701 |
| Economic environment | - | - | - | - | - | - | - | - | 74,830 |
| Court related | - | - | 24,059 | - | 471,257 | - | - | - | 506,318 |
| Capital outlay | 20,103 | - | - | - | - | - | - | - | 333,880 |
| Debt service: | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | 233,541 |
| Interest | - | - | - | - | - | - | - | - | 39,107 |
| Total expenditures | <u>918,808</u> | <u>-</u> | <u>30,559</u> | <u>68,012</u> | <u>471,257</u> | <u>20,317</u> | <u>-</u> | <u>-</u> | <u>6,181,802</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,761)</u> | <u>2,933</u> | <u>15,953</u> | <u>38,359</u> | <u>135,368</u> | <u>94</u> | <u>59</u> | <u>3</u> | <u>468,225</u> |
| Other financing sources (uses) | | | | | | | | | |
| Transfers in | - | - | - | - | - | - | - | - | 514,011 |
| Transfers out | - | - | - | (30,150) | - | - | - | - | (30,150) |
| Other external reversion | - | - | - | - | (105,689) | - | - | - | (105,689) |
| Issuance of debt | - | - | - | - | - | - | - | - | 140,197 |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>(30,150)</u> | <u>(105,689)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>518,369</u> |
| Net change in fund balance | <u>(6,761)</u> | <u>2,933</u> | <u>15,953</u> | <u>8,209</u> | <u>29,679</u> | <u>94</u> | <u>59</u> | <u>3</u> | <u>986,594</u> |
| Fund balance, beginning of year | 254,728 | 12,883 | 83,779 | 111,388 | 33,376 | 11,814 | 37,436 | 1,573 | 3,786,647 |
| Fund balance, end of year | <u>\$ 247,967</u> | <u>\$ 15,816</u> | <u>\$ 99,732</u> | <u>\$ 119,597</u> | <u>\$ 63,055</u> | <u>\$ 11,908</u> | <u>\$ 37,495</u> | <u>\$ 1,576</u> | <u>\$ 4,773,241</u> |

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

| | <u>Clerk of Circuit Court</u> | <u>Sheriff</u> | <u>Tax Collector</u> | <u>Total Custodial Funds</u> |
|---------------------------------------|---------------------------------------|------------------|--------------------------|--------------------------------------|
| ASSETS | | | | |
| Cash and equivalents | \$ 562,744 | \$ 36,294 | \$ 436,736 | \$ 1,035,774 |
| Due from other funds | 460 | - | - | 460 |
| Total assets | <u>\$ 563,204</u> | <u>\$ 36,294</u> | <u>\$ 436,736</u> | <u>\$ 1,036,234</u> |
| LIABILITIES | | | | |
| Accounts payable and accrued expenses | \$ 175 | \$ - | \$ 45,317 | \$ 45,492 |
| Due to individuals | - | 18,730 | - | 18,730 |
| Due to other funds | 12,893 | - | 18,228 | 31,121 |
| Due to other governments | 264,561 | - | 373,191 | 637,752 |
| Total liabilities | <u>\$ 277,629</u> | <u>\$ 18,730</u> | <u>\$ 436,736</u> | <u>\$ 733,095</u> |
| NET POSITION | <u>\$ 285,575</u> | <u>\$ 17,564</u> | <u>\$ -</u> | <u>\$ 303,139</u> |

See accompanying notes to financial statements.

GILCHRIST COUNTY, FLORIDA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

| | Clerk of Circuit Court | Sheriff | Tax Collector | Total Custodial Funds |
|---|---------------------------------------|------------------|--------------------------|--------------------------------------|
| Additions | | | | |
| Taxes | \$ - | \$ - | \$ 16,378,494 | \$ 16,378,494 |
| Charges for services | - | 329,059 | 93,863 | 422,922 |
| Permits, fees, and special assessments | - | - | 193,436 | 193,436 |
| Court related | 3,820,892 | 156,548 | - | 3,977,440 |
| Total additions | <u>3,820,892</u> | <u>485,607</u> | <u>16,665,793</u> | <u>20,972,292</u> |
| Deductions | | | | |
| Court related payments | 3,702,046 | 204,281 | - | 3,906,327 |
| Payments to individuals | - | 329,059 | 804,838 | 1,133,897 |
| Payments to other governments | - | - | 5,947,564 | 5,947,564 |
| Payments to BOCC | - | - | 9,913,391 | 9,913,391 |
| Total deductions | <u>3,702,046</u> | <u>533,340</u> | <u>16,665,793</u> | <u>20,901,179</u> |
| Net change in fiduciary net position | <u>118,846</u> | <u>(47,733)</u> | <u>-</u> | <u>71,113</u> |
| Net position, beginning of year | 166,729 | 65,297 | - | 232,026 |
| Net position, end of year | <u>\$ 285,575</u> | <u>\$ 17,564</u> | <u>\$ -</u> | <u>\$ 303,139</u> |

See accompanying notes to financial statements.

**GILCHRIST COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

| Federal/State Grantor / Pass Through Grantor / Program Title | Assistance Listing / CSFA Number | Contract Number | Expenditures | Amounts Provided to Subrecipients |
|--|-------------------------------------|----------------------|---------------------|---|
| FEDERAL AGENCY | | | | |
| Department of Justice | | | | |
| Direct Programs: | | | | |
| NCIC Grant | 16.606 | N/A | \$ 4,200 | \$ - |
| Bulletproof Vest Grant | 16.607 | N/A | 23,697 | - |
| Total Department of Justice | | | <u>27,897</u> | <u>-</u> |
| Department of Health and Human Services | | | | |
| Passed through Florida Department of Revenue | | | | |
| Child Support Title IV-D | 93.563 | COC21 | 106,371 | - |
| Total Department of Health and Human Services | | | <u>106,371</u> | <u>-</u> |
| Department of Homeland Security | | | | |
| Passed through Executive Office of the Governor | | | | |
| Emergency Management Performance Grant | 97.042 | G0022 | 37,478 | - |
| Passed through Executive Office of the Governor | | | | |
| Disaster Grants - Public Assistance | 97.042 | G0127 | 8,189 | - |
| Total Department of Homeland Security | | | <u>45,667</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 | 12,085 | - |
| Community Development Block Grant - Entitlement Grants Cluster | 14.218 | | 24,545 | - |
| Total Department of Homeland Security | | | <u>36,630</u> | <u>-</u> |
| Department of the Treasury | | | | |
| Passed through Florida Division of Emergency Management: | | | | |
| COVID-19 - Coronavirus Relief Fund | 21.019 | Y2306 | 1,166,442 | - |
| Total Department of the Treasury | | | <u>1,166,442</u> | <u>-</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 1,383,007</u> | <u>\$ -</u> |

See accompanying notes to schedule of expenditures of federal awards.

GILCHRIST COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of federal awards 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). 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), 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, 2021**

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:

| Assistance Listing Number | Program Name |
|------------------------------|------------------------------------|
| 21.019 | COVID-19 – Coronavirus Relief Fund |

- B. Financial Statement Findings:** None.
- C. Federal Award Findings and Questioned Costs:** None
- D. Summary Schedule of Prior Audit Findings:** See Summary Schedule of Prior Audit Findings, as listed in the table of contents.
- E. Corrective Action Plan:** None.



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

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 that could have a direct and material effect on each of the County's major federal program for the year ended September 30, 2021. The County's major federal program is 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 applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance 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. 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. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

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 for the year ended September 30, 2021.

Report on Internal Control over Compliance

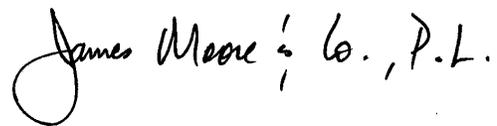
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of

requirements that could have a direct and material effect on each major federal program 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 but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with 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. Accordingly, this report 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, looped initial "J".

Gainesville, Florida
May 11, 2022



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, 2021, 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 11, 2022.

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.

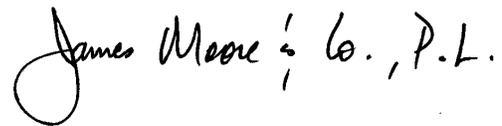
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and 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. 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 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*.

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 11, 2022



**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, 2021, and have issued our report thereon dated May 11, 2022.

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 11, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

2021-001 – EMS Billing

During the period subsequent to the fiscal year ended September 30, 2021, the County's process for collecting EMS receivables through a third-party administrator was substituted for that of an internal one managed by the EMS department. As a result of ineffective reporting and recordkeeping procedures, the County had to write off a significant portion of these receivables as uncollectible in the subsequent fiscal year. We recommend an analysis be performed of the current state of the EMS receivable balance and procedures be developed for ensuring such an analysis and reconciliation occur on a regular basis.

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 11, 2022



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, 2021. 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, 2021, 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, 2021.

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' The signature is written in a cursive, flowing style.

Gainesville, Florida
May 11, 2022

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 10 day of May, 2022.

Kaci McCagh
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, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

2020-001 - Year-End Reconciliation of Account Balances: Corrective action taken.

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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May 11, 2022

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

RE: 2020-2021 Annual Audit for Gilchrist County Board of County Commissioners

In response to the findings in the current 2020-2021 audit, the following information is provided.

Findings:

2021-001 *Criteria* – Internal controls over effective recordkeeping and account balance reconciliation of EMS receivables should be designed for timely recording of ambulance fees in the normal course of business. Information concerning the aged receivable balance should be readily available to assess the proper account balance.

Condition – Subsequent to year ended September 30, 2021, the County's process for collecting EMS receivable through a third-party administrator was substituted for an internal one managed by the EMS department. Information concerning the account balance is difficult to ascertain.

Cause – Information concerning the valuation of the subsequent accounts receivable balance is not readily available. A significant portion of the previous receivables were assessed uncollectible and written off.

Effect – The proper management of the accounts receivable balance and the assessment of the allowance for uncollectible cannot be timely performed.

Recommendation – We recommend an analysis be performed of the current state of the EMS receivable balance and procedures be developed for ensuring such an analysis and reconciliation occur on a regular basis.

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 the EMS receivable balance. Identification of areas where weaknesses exist will be strengthened with procedures that minimize the risk of this occurring in the future.

If additional information is needed, please contact us.

Respectfully,



Todd Newton
Clerk of Court, Gilchrist County



Richard A. Romans
Finance Director

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 SHERIFF
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2021

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

SEPTEMBER 30, 2021

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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, 2021, 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, 2021, 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, 2021, 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.

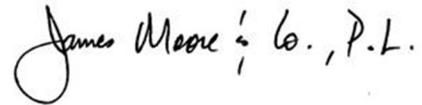
Other Information

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'.

Gainesville, Florida
May 11, 2022

**GILCHRIST COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

| | <u>General Fund</u> | <u>Special Revenue</u> | | <u>Volunteers Fund</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|------------------------|--------------------------------|----------------------------|---|
| | | <u>FLETF Fund</u> | <u>Inmate Welfare Fund</u> | | |
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 497,901 | \$ - | \$ 11,908 | \$ - | \$ 509,809 |
| Total assets | <u>\$ 497,901</u> | <u>\$ -</u> | <u>\$ 11,908</u> | <u>\$ -</u> | <u>\$ 509,809</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable and accrued expenditures | \$ 242,914 | \$ - | \$ - | \$ - | \$ 242,914 |
| Due to Board of County Commissioners | 254,987 | - | - | - | 254,987 |
| Total Liabilities | <u>497,901</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>497,901</u> |
| Fund Balances | | | | | |
| Assigned | | | | | |
| Inmate benefits | - | - | 11,908 | - | 11,908 |
| Total Fund Balances | <u>-</u> | <u>-</u> | <u>11,908</u> | <u>-</u> | <u>11,908</u> |
| Total Liabilities and Fund Balances | <u>\$ 497,901</u> | <u>\$ -</u> | <u>\$ 11,908</u> | <u>\$ -</u> | <u>\$ 509,809</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, 2021

| | General Fund | Special Revenue | | | Total Governmental Funds |
|--|--------------------|-----------------|------------------------|--------------------|--------------------------------|
| | | FLETF Fund | Inmate Welfare Fund | Volunteers Fund | |
| Revenues | | | | | |
| Charges for services | \$ - | \$ - | \$ 20,385 | \$ - | \$ 20,385 |
| Miscellaneous revenue | - | - | 26 | - | 26 |
| Total revenues | - | - | 20,411 | - | 20,411 |
| Expenditures | | | | | |
| Current: | | | | | |
| Public safety | 5,020,436 | - | 20,317 | - | 5,040,753 |
| Court-related | 281,922 | - | - | - | 281,922 |
| Capital outlay | 438,101 | - | - | - | 438,101 |
| Debt service | | | | | |
| Principal | 51,928 | - | - | - | 51,928 |
| Total expenditures | 5,792,387 | - | 20,317 | - | 5,812,704 |
| Excess (deficiency) of revenues over expenditures | (5,792,387) | - | 94 | - | (5,792,293) |
| Other financing sources (uses) | | | | | |
| Appropriations from board of county commissioners | 5,976,249 | - | - | - | 5,976,249 |
| Reversion to board of county commissioners | (243,300) | - | - | - | (243,300) |
| Proceeds from the issuance of debt | 59,438 | - | - | - | 59,438 |
| Total other financing sources (uses) | 5,792,387 | - | - | - | 5,792,387 |
| Net change in fund balance | - | - | 94 | - | 94 |
| Fund balances, beginning of year | - | - | 11,814 | - | 11,814 |
| Fund balances, end of year | \$ - | \$ - | \$ 11,908 | \$ - | \$ 11,908 |

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

**GILCHRIST COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

| | Custodial Funds |
|-------------------------------------|----------------------------|
| Assets | |
| Cash and cash equivalents | \$ 36,294 |
| Total Assets | \$ 36,294 |
| Liabilities | |
| Due to individuals | \$ 18,730 |
| Total liabilities | \$ 18,730 |
| Net Position | |
| Restricted for: | |
| Other individuals and organizations | \$ 17,564 |
| Total net position | \$ 17,564 |

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

**GILCHRIST COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

| | Custodial Funds |
|---|----------------------------|
| Additions | |
| Charges for services | \$ 329,059 |
| Court related | 156,548 |
| Total additions | 485,607 |
| Deductions | |
| Court Related | 204,281 |
| Payments to individuals | 329,059 |
| Total deductions | 533,340 |
| Net change in fiduciary net position | (47,733) |
| Net position, beginning of year, as restated | 65,297 |
| Net position, end of year | \$ 17,564 |

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

GILCHRIST COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(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 Volunteers Fund is used to track all donation revenues.

Additionally, the Sheriff reports the following fiduciary fund type:

Custodial Fund – Custodial 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, 2021**

(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, 2021

(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) **Restatement of Net Position:**

For the fiscal year ended September 30, 2021, the Office implemented GASB Statement No. 84, *Fiduciary Activities*. Beginning net position in the custodial funds was restated from \$-0- to \$65,297, as a result of this implementation.

(5) **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.

**GILCHRIST COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

(6) 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.

(7) Long-term Liabilities:

A summary of changes in long-term liabilities of the Office for the fiscal year ended September 30, 2021, follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|----------------------|------------------------------|------------------|-------------------|---------------------------|--------------------------------|
| Compensated absences | \$ 481,545 | \$ 266,820 | \$ (309,948) | \$ 438,417 | \$ 150,385 |

(8) 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, 2021, 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, 2021.

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, 2021

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public safety | 5,547,368 | 5,667,966 | 5,020,436 | 647,530 |
| Court-related | 296,243 | 296,243 | 281,922 | 14,321 |
| Capital outlay | - | - | 438,101 | (438,101) |
| Debt service | | | | |
| Principal | - | - | 51,928 | (51,928) |
| Interest | - | - | - | - |
| Total expenditures | <u>5,843,611</u> | <u>5,964,209</u> | <u>5,792,387</u> | <u>171,822</u> |
| Excess (deficiency) of revenues over expenditures | <u>(5,843,611)</u> | <u>(5,964,209)</u> | <u>(5,792,387)</u> | <u>171,822</u> |
| Other financing sources (uses) | | | | |
| Appropriations from board of county commissioners | 5,843,611 | 5,964,209 | 5,976,249 | 12,040 |
| Reversion to board of county commissioners | - | - | (243,300) | (243,300) |
| Proceeds from the issuance of debt | - | - | 59,438 | 59,438 |
| Total other financing sources (uses) | <u>5,843,611</u> | <u>5,964,209</u> | <u>5,792,387</u> | <u>(171,822)</u> |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 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, 2021**

(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 STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2021**

| | <u>Inmate Trust Fund</u> | <u>Individual/ Suspense Fund</u> | <u>Bonds/Fines Fund</u> | <u>Evidence Trust Fund</u> | <u>Total Custodial Funds</u> |
|-------------------------------------|------------------------------|--|-----------------------------|------------------------------------|--------------------------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 18,730 | \$ 4,302 | \$ 2,775 | \$ 10,487 | \$ 36,294 |
| Total Assets | <u>\$ 18,730</u> | <u>\$ 4,302</u> | <u>\$ 2,775</u> | <u>\$ 10,487</u> | <u>\$ 36,294</u> |
| Liabilities | | | | | |
| Due to individuals | \$ 18,730 | \$ - | \$ - | \$ - | \$ 18,730 |
| Total liabilities | <u>\$ 18,730</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 18,730</u> |
| Net Position | | | | | |
| Restricted for: | | | | | |
| Other individuals and organizations | \$ - | \$ 4,302 | \$ 2,775 | \$ 10,487 | \$ 17,564 |
| Total net position | <u>\$ -</u> | <u>\$ 4,302</u> | <u>\$ 2,775</u> | <u>\$ 10,487</u> | <u>\$ 17,564</u> |

See accompanying notes to financial statements.

GILCHRIST COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2021

| | <u>Inmate Trust Fund</u> | <u>Individual/ Suspense Fund</u> | <u>Bonds/Fines Fund</u> | <u>Evidence Trust Fund</u> | <u>Total Custodial Funds</u> |
|---|------------------------------|--|-----------------------------|------------------------------------|--------------------------------------|
| Additions | | | | | |
| Charges for services | \$ 329,059 | \$ - | \$ - | \$ - | \$ 329,059 |
| Court related | - | 135,404 | 17,469 | 3,675 | 156,548 |
| Total additions | <u>329,059</u> | <u>135,404</u> | <u>17,469</u> | <u>3,675</u> | <u>485,607</u> |
| Deductions | | | | | |
| Court related | - | 135,404 | 47,764 | 21,113 | 204,281 |
| Payments to individuals | 329,059 | - | - | - | 329,059 |
| Total deductions | <u>329,059</u> | <u>135,404</u> | <u>47,764</u> | <u>21,113</u> | <u>533,340</u> |
| Net change in fiduciary net position | <u>-</u> | <u>-</u> | <u>(30,295)</u> | <u>(17,438)</u> | <u>(47,733)</u> |
| Net position, beginning of year, as restated | - | 4,302 | 33,070 | 27,925 | 65,297 |
| Net position, end of year | <u>\$ -</u> | <u>\$ 4,302</u> | <u>\$ 2,775</u> | <u>\$ 10,487</u> | <u>\$ 17,564</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, 2021, 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 11, 2022, 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. 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

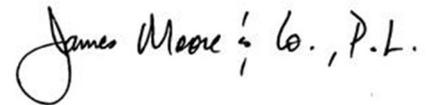
As part of obtaining reasonable assurance about whether the Gilchrist County Sheriff's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which 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.

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 11, 2022



**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, 2021, and have issued our report thereon dated May 11, 2022.

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 11, 2022, 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. No comments remains uncorrected from the second preceding audit.

2020-001 – Modified Accrual Basis of Accounting: Corrective action taken.

2020-002 – Capital Assets: Corrective action not taken. See repeat comment 2021-001.

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.

2021-001 – 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

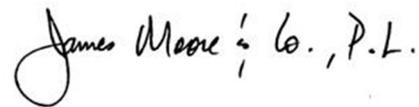
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants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

Management's Response to Finding

The Office's responses to the finding identified in our audit is 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 11, 2022



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, 2021. 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, 2021, 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, 2021.

Gainesville, Florida
May 11, 2022

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' The signature is written in a cursive, professional style.

Management's Response to Finding

2021-001 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, 2021

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

SEPTEMBER 30, 2021

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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, 2021, 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, 2021, 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, 2021, 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.

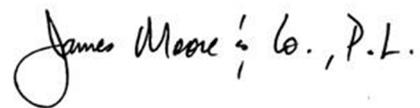
Other Matters

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 11, 2022

**GILCHRIST COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2021**

| | General Fund |
|---|-------------------------|
| ASSETS | |
| Cash and equivalents | \$ 52,878 |
| Accounts receivable | 2,762 |
| Total Assets | \$ 55,640 |
| LIABILITIES AND FUND BALANCE | |
| Liabilities: | |
| Accounts payable and accrued expenditures | \$ 414 |
| Due to other governments | 621 |
| Due to Board of County Commissioners | 54,605 |
| Total Liabilities | 55,640 |
| Fund Balance: | |
| Unassigned | - |
| Total Fund Balance | - |
| Total Liabilities and Fund Balance | \$ 55,640 |

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, 2021**

| | General Fund |
|--|-------------------------|
| Revenues | |
| Charges for services | \$ 3,295 |
| Intergovernmental revenue | 15,921 |
| Miscellaneous revenue | 178 |
| Total revenues | 19,394 |
| Expenditures | |
| Current: | |
| General government | 596,052 |
| Capital outlay | 118,665 |
| Total expenditures | 714,717 |
| Excess (deficiency) of revenues over expenditures | (695,323) |
| Other financing sources (uses) | |
| Appropriations from Board of County Commissioners | 724,226 |
| Reversion to Board of County Commissioners | (28,282) |
| Other external reversion | (621) |
| Total other financing sources (uses) | 695,323 |
| 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, 2021**

(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, 2021**

(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, 2021**

(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, 2021, follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|----------------------|------------------------------|------------------|-------------------|---------------------------|--------------------------------|
| Compensated absences | \$ 15,283 | \$ 17,500 | \$ (22,509) | \$ 10,274 | \$ 3,524 |

**GILCHRIST COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

(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, 2021, 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, 2021.

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, 2021**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for services | \$ - | \$ - | \$ 3,295 | \$ 3,295 |
| Intergovernmental revenue | - | - | 15,921 | 15,921 |
| Miscellaneous revenue | - | - | 178 | 178 |
| Total revenues | <u>-</u> | <u>-</u> | <u>19,394</u> | <u>19,394</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 639,247 | 646,119 | 596,052 | 50,067 |
| Capital outlay | 94,028 | 94,028 | 118,665 | (24,637) |
| Total expenditures | <u>733,275</u> | <u>740,147</u> | <u>714,717</u> | <u>25,430</u> |
| Excess (deficiency) of revenues over expenditures | <u>(733,275)</u> | <u>(740,147)</u> | <u>(695,323)</u> | <u>44,824</u> |
| Other financing sources (uses) | | | | |
| Appropriations from board of county commissioners | 733,275 | 740,147 | 724,226 | (15,921) |
| Reversion to board of county commissioners | - | - | (28,282) | (28,282) |
| Other external reversion | - | - | (621) | (621) |
| Total other financing sources (uses) | <u>733,275</u> | <u>740,147</u> | <u>695,323</u> | <u>(44,824)</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, 2021**

(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, 2021, 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 11, 2022, 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.

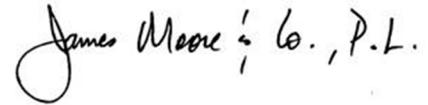
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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 11, 2022



**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, 2021, and have issued our report thereon dated May 11, 2022.

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 11, 2022, 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.

Financial Management

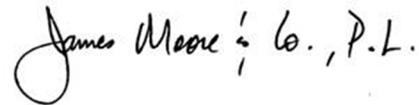
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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.

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 11, 2022



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

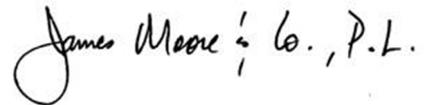
The Honorable Damon Leggett, Property Appraiser,
Gilchrist County, Florida:

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, 2021. 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, 2021, 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, 2021.

Gainesville, Florida
May 11, 2022

James Moore & Co., P.L.

GILCHRIST COUNTY SUPERVISOR OF ELECTIONS

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

SEPTEMBER 30, 2021

GILCHRIST COUNTY SUPERVISOR OF ELECTIONS

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

SEPTEMBER 30, 2021

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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, 2021, 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.

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, 2021, 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, 2021, 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.

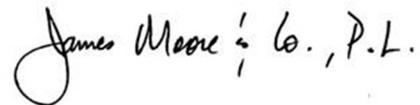
Other Matters

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 11, 2022

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2021**

| | General Fund |
|---|-------------------------|
| ASSETS | |
| Cash and equivalents | \$ 42,618 |
| Receivables | 90 |
| Total Assets | \$ 42,708 |
| LIABILITIES AND FUND BALANCE | |
| Liabilities: | |
| Accounts payable and accrued expenditures | \$ 18,342 |
| Due to other governments | 90 |
| Due to Board of County Commissioners | 24,276 |
| Total Liabilities | 42,708 |
| Fund Balance: | |
| Unassigned | - |
| Total Liabilities and Fund Balance | \$ 42,708 |

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, 2021

| | General Fund |
|--|-------------------------|
| Revenues | |
| Charges for services | \$ 138 |
| Miscellaneous | 60 |
| Total revenues | 198 |
| Expenditures | |
| Current: | |
| General government | 370,848 |
| Capital outlay | 15,249 |
| Total expenditures | 386,097 |
| Excess (deficiency) of revenues over expenditures | (385,899) |
| Other financing sources (uses) | |
| Appropriations from Board of County Commissioners | 403,146 |
| Reversion to Board of County Commissioners | (17,247) |
| Total other financing sources (uses) | 385,899 |
| 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, 2021

(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, 2021

(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, 2021**

(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, 2021, follows:

| | <u>Beginning Balance</u> | | <u>Additions</u> | | <u>Reductions</u> | | <u>Ending Balance</u> | | <u>Due Within One Year</u> |
|----------------------|------------------------------|----|------------------|----|-------------------|----|---------------------------|----|--------------------------------|
| Compensated absences | \$ 3,513 | \$ | 6,318 | \$ | (6,953) | \$ | 2,878 | \$ | 1,106 |

**GILCHRIST COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

(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, 2021, 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, 2021.

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, 2021**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for services | \$ - | \$ - | \$ 138 | \$ 138 |
| Miscellaneous | - | - | 60 | 60 |
| Total revenues | <u>-</u> | <u>-</u> | <u>198</u> | <u>198</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 400,146 | 400,146 | 370,848 | 29,298 |
| Capital outlay | 3,000 | 3,000 | 15,249 | (12,249) |
| Total expenditures | <u>403,146</u> | <u>403,146</u> | <u>386,097</u> | <u>17,049</u> |
| Excess (deficiency) of revenues over expenditures | <u>(403,146)</u> | <u>(403,146)</u> | <u>(385,899)</u> | <u>17,247</u> |
| Other financing sources (uses) | | | | |
| Appropriations from Board of County Commissioners | 403,146 | 403,146 | 403,146 | - |
| Reversion to Board of County Commissioners | - | - | (17,247) | (17,247) |
| Total other financing sources (uses) | <u>403,146</u> | <u>403,146</u> | <u>385,899</u> | <u>(17,247)</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, 2021**

(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, 2021, 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 11, 2022, 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.

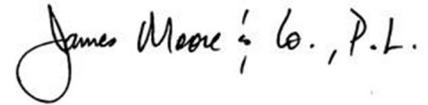
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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 11, 2022



**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, 2021, and have issued our report thereon dated May 11, 2022.

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 11, 2022, 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

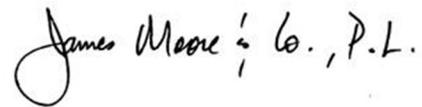
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants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

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 11, 2022



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, 2021. 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, 2021, 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, 2021.

Gainesville, Florida
May 11, 2022

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' The signature is written in a cursive, professional style.

GILCHRIST COUNTY TAX COLLECTOR
SPECIAL PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2021

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

SEPTEMBER 30, 2021

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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, 2021, 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.

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, 2021, 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, 2021, 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.

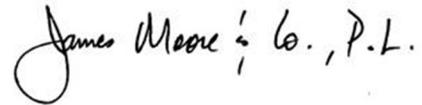
Other Information

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, looping initial "J".

Gainesville, Florida
May 11, 2022

**GILCHRIST COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2021**

| | <u>General Fund</u> |
|---|---------------------|
| Assets | |
| Cash and equivalents | <u>\$ 20,422</u> |
| Liabilities and Fund Balance | |
| Liabilities | |
| Due to Board of County Commissioners | \$ 20,422 |
| Fund balance | |
| Unassigned | - |
| Total Liabilities and Fund Balance | <u>\$ 20,422</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, 2021**

| | General Fund |
|--|---------------------|
| Revenues | |
| Miscellaneous revenue | \$ - |
| Total revenues | - |
| Expenditures | |
| Current: | |
| General government | 599,252 |
| Capital outlay | 3,044 |
| Total expenditures | 602,296 |
| Excess (deficiency) of revenues over expenditures | (602,296) |
| Other financing sources (uses) | |
| Appropriations from Board of County Commissioners | 622,718 |
| Reversion to Board of County Commissioners | (20,422) |
| Total other financing sources (uses) | 602,296 |
| 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
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

| | Custodial Funds |
|---------------------------------------|----------------------------|
| Assets | |
| Cash and cash equivalents | \$ 436,736 |
| Total Assets | \$ 436,736 |
| Liabilities | |
| Accounts payable and accrued expenses | \$ 45,317 |
| Due to other governments | 373,191 |
| Due to other County agencies | 18,228 |
| Total liabilities | \$ 436,736 |

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

**GILCHRIST COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

| | Custodial Funds |
|---|----------------------------|
| Additions | |
| Taxes | \$ 16,378,494 |
| Charges for services | 93,863 |
| Permits, fees, and special assessments | 193,436 |
| Total additions | 16,665,793 |
| Deductions | |
| Payments to individuals | 804,838 |
| Payments to other governments | 5,947,564 |
| Payments to BOCC | 9,913,391 |
| Total deductions | 16,665,793 |
| Net change in fiduciary net position | - |
| Net position, beginning of year | - |
| Net position, end of year | \$ - |

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, 2021

(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:

Custodial Fund - Used to account for assets held by the Office as an agent for individuals, private organizations, other governments, and/or other funds. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Tax Collector’s Custodial Fund is used to account for the collection and distribution of property taxes, sales tax, vehicle tags and titles, boat registrations and titles, and driver 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, 2021

(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, 2021**

(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, 2021, follows:

| | <u>Beginning Balance</u> | | <u>Additions</u> | | <u>Reductions</u> | | <u>Ending Balance</u> | | <u>Due Within One Year</u> |
|----------------------|------------------------------|----|------------------|----|-------------------|----|---------------------------|----|--------------------------------|
| Compensated absences | \$ 13,395 | \$ | 12,418 | \$ | (5,229) | \$ | 20,584 | \$ | 6,107 |

**GILCHRIST COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

(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, 2021, 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, 2021.

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, 2021

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Miscellaneous revenue | \$ - | \$ - | \$ - | \$ - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 619,450 | 619,450 | 599,252 | 20,198 |
| Capital outlay | 3,250 | 3,250 | 3,044 | 206 |
| Total expenditures | <u>622,700</u> | <u>622,700</u> | <u>602,296</u> | <u>20,404</u> |
| Excess (deficiency) of revenues over expenditures | <u>(622,700)</u> | <u>(622,700)</u> | <u>(602,296)</u> | <u>20,404</u> |
| Other financing sources (uses) | | | | |
| Appropriations from Board of County Commissioners | 622,700 | 622,700 | 622,718 | 18 |
| Reversion to Board of County Commissioners | - | - | (20,422) | (20,422) |
| Total other financing sources (uses) | <u>622,700</u> | <u>622,700</u> | <u>602,296</u> | <u>(20,404)</u> |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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, 2021**

(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 STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 SEPTEMBER 30, 2021**

| | Tag Fund | Trust Fund | Total Custodial Funds |
|---------------------------------------|-----------------|-------------------|--------------------------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 387,864 | \$ 48,872 | \$ 436,736 |
| Total Assets | \$ 387,864 | \$ 48,872 | \$ 436,736 |
| Liabilities | | | |
| Accounts payable and accrued expenses | \$ - | \$ 45,317 | \$ 45,317 |
| Due to other governments | 372,216 | 975 | 373,191 |
| Due to other County agencies | 15,648 | 2,580 | 18,228 |
| Total liabilities | \$ 387,864 | \$ 48,872 | \$ 436,736 |
| Net Position | \$ - | \$ - | \$ - |

See accompanying notes to financial statements.

**GILCHRIST COUNTY TAX COLLECTOR
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2021**

| | Tag Fund | Trust Fund | Total Custodial Funds |
|---|-----------------|-------------------|--------------------------------------|
| Additions | | | |
| Taxes | \$ 15,575,351 | \$ 803,143 | \$ 16,378,494 |
| Charges for services | - | 93,863 | 93,863 |
| Permits, fees, and special assessments | 193,436 | - | 193,436 |
| Total additions | 15,768,787 | 897,006 | 16,665,793 |
| Deductions | | | |
| Payments to individuals | - | 804,838 | 804,838 |
| Payments to other governments | 5,929,153 | 18,411 | 5,947,564 |
| Payments to BOCC | 9,839,634 | 73,757 | 9,913,391 |
| Total deductions | 15,768,787 | 897,006 | 16,665,793 |
| Net change in fiduciary net position | - | - | - |
| Net position, beginning of year | - | - | - |
| Net position, end of year | \$ - | \$ - | \$ - |

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, 2021, 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 11, 2022, 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.

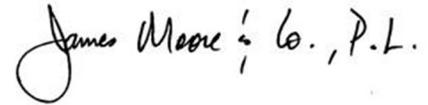
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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 11, 2022



**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, 2021, and have issued our report thereon dated May 11, 2022.

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 11, 2022, 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.

Financial Management

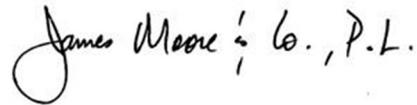
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 11, 2022



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

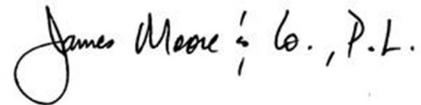
The Honorable Michael McElroy, Tax Collector,
Gilchrist County, Florida:

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, 2021. 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, 2021, 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, 2021.

Gainesville, Florida
May 11, 2022



GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT

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

SEPTEMBER 30, 2021

GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT

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

SEPTEMBER 30, 2021

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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, 2021, 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, 2021, 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, 2021, 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.

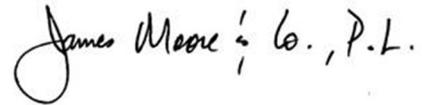
Other Information

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 11, 2022

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

| | <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 | \$ 51,012 | \$ 200,954 | \$ 97,025 | \$ 106,074 | \$ 455,065 |
| Receivables | 1,710 | 380 | - | - | 2,090 |
| Due from other governments | - | - | - | 15,146 | 15,146 |
| Due from other funds | 523 | 2,473 | 4,466 | 2 | 7,464 |
| Total Assets | <u>\$ 53,245</u> | <u>\$ 203,807</u> | <u>\$ 101,491</u> | <u>\$ 121,222</u> | <u>\$ 479,765</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts payable and accrued expenses | \$ 26,000 | \$ 9,703 | \$ 1,759 | \$ 1,625 | \$ 39,087 |
| Due to other governments | - | 126,583 | - | - | 126,583 |
| Due to other funds | 310 | 4,466 | - | - | 4,776 |
| Due to Board of County Commissioners | 26,935 | - | - | - | 26,935 |
| Total liabilities | <u>53,245</u> | <u>140,752</u> | <u>1,759</u> | <u>1,625</u> | <u>197,381</u> |
| Fund Balances | | | | | |
| Restricted for court costs | - | 63,055 | 99,732 | 119,597 | 282,384 |
| Total Liabilities and Fund Balances | <u>\$ 53,245</u> | <u>\$ 203,807</u> | <u>\$ 101,491</u> | <u>\$ 121,222</u> | <u>\$ 479,765</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, 2021

| | General Fund | Fine and Forfeiture Fund | Records Modernization Trust Fund | Title IV-D Fund | Total Governmental Funds |
|--|-------------------------|---|---|------------------------|---|
| Revenues | | | | | |
| Intergovernmental | \$ - | \$ 309,466 | \$ - | \$ 106,371 | \$ 415,837 |
| Charges for services | 159,227 | 183,728 | 46,380 | - | 389,335 |
| Fines and forfeitures | - | 104,695 | - | - | 104,695 |
| Miscellaneous | 11,254 | 8,736 | 132 | - | 20,122 |
| Total revenues | <u>170,481</u> | <u>606,625</u> | <u>46,512</u> | <u>106,371</u> | <u>929,989</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General government | 531,749 | - | 6,500 | 68,012 | 606,261 |
| Court related | - | 471,257 | 24,059 | - | 495,316 |
| Capital outlay | 3,223 | - | - | - | 3,223 |
| Total expenditures | <u>534,972</u> | <u>471,257</u> | <u>30,559</u> | <u>68,012</u> | <u>1,104,800</u> |
| Excess (deficiency) of revenues over expenditures | <u>(364,491)</u> | <u>135,368</u> | <u>15,953</u> | <u>38,359</u> | <u>(174,811)</u> |
| Other financing sources (uses) | | | | | |
| Transfers in | 30,150 | - | - | - | 30,150 |
| Transfers out | - | - | - | (30,150) | (30,150) |
| Appropriations from Board of County Commissioners | 361,676 | - | - | - | 361,676 |
| Reversion to Board of County Commissioners | (27,335) | - | - | - | (27,335) |
| Article V Reversion | - | (105,689) | - | - | (105,689) |
| Total other financing sources (uses) | <u>364,491</u> | <u>(105,689)</u> | <u>-</u> | <u>(30,150)</u> | <u>228,652</u> |
| Net change in fund balance | <u>-</u> | <u>29,679</u> | <u>15,953</u> | <u>8,209</u> | <u>53,841</u> |
| Fund balance, beginning of year | <u>-</u> | <u>33,376</u> | <u>83,779</u> | <u>111,388</u> | <u>228,543</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ 63,055</u> | <u>\$ 99,732</u> | <u>\$ 119,597</u> | <u>\$ 282,384</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
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

| | Custodial Funds |
|---------------------------------------|----------------------------|
| Assets | |
| Cash and cash equivalents | \$ 562,744 |
| Due from other governments | - |
| Due from other funds | 460 |
| Total Assets | \$ 563,204 |
| Liabilities | |
| Accounts payable and accrued expenses | \$ 175 |
| Due to other governments | 264,561 |
| Due to other funds | 3,148 |
| Total liabilities | \$ 277,629 |
| Net Position | |
| Restricted for: | |
| Other individuals and organizations | \$ 285,575 |
| Total net position | \$ 285,575 |

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

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

| | Custodial Funds |
|--|----------------------------|
| Additions | |
| Court related | \$ 3,820,892 |
| Total additions | 3,820,892 |
| Deductions | |
| Court related | 3,702,046 |
| Total deductions | 3,702,046 |
| Net change in fiduciary net position | 118,846 |
| Net Position , beginning of year, as restated | 166,729 |
| Net Position , end of year | \$ 285,575 |

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, 2021**

(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:

Custodial Funds - Used to account for assets held by the Office as an agent for individuals, private organizations, other governments, and/or other funds. Custodial 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, 2021**

(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.

GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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

- (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.

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) **Restatement of Net Position:**

For the fiscal year ended September 30, 2021, the Office implemented GASB Statement No. 84, *Fiduciary Activities*. Beginning net position in the custodial funds was restated from \$-0- to \$166,729, as a result of this implementation.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

(5) **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.

(6) **Long-term Liabilities:**

A summary of changes in long-term liabilities of the Office for the fiscal year ended September 30, 2021, follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|----------------------|------------------------------|------------------|-------------------|---------------------------|--------------------------------|
| Compensated absences | \$ 83,139 | \$ 51,108 | \$ (45,521) | \$ 88,726 | \$ 45,259 |

(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, 2021, 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, 2021.

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, 2021

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|--|-------------------------|------------------|------------------|-----------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget -</u> |
| | | | | <u>Positive</u> |
| | | | | <u>(Negative)</u> |
| Revenues | | | | |
| Charges for services | \$ 129,010 | \$ 129,010 | \$ 159,227 | \$ 30,217 |
| Miscellaneous | 50,143 | 50,143 | 11,254 | (38,889) |
| Total revenues | <u>179,153</u> | <u>179,153</u> | <u>170,481</u> | <u>(8,672)</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 576,829 | 576,829 | 531,749 | 45,080 |
| Capital outlay | - | - | 3,223 | (3,223) |
| Total expenditures | <u>576,829</u> | <u>576,829</u> | <u>534,972</u> | <u>41,857</u> |
| Excess (deficiency) of revenues over expenditures | <u>(397,676)</u> | <u>(397,676)</u> | <u>(364,491)</u> | <u>33,185</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 36,000 | 36,000 | 30,150 | (5,850) |
| Appropriations from Board of County Commissioners | 361,676 | 361,676 | 361,676 | - |
| Reversion to Board of County Commissioners | - | - | (27,335) | (27,335) |
| Total other financing sources (uses) | <u>397,676</u> | <u>397,676</u> | <u>364,491</u> | <u>(33,185)</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, 2021**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | \$ 310,160 | \$ 310,160 | \$ 309,466 | \$ (694) |
| Charges for services | 147,755 | 147,755 | 183,728 | 35,973 |
| Fines and forfeitures | 60,070 | 60,070 | 104,695 | 44,625 |
| Miscellaneous | 2,675 | 2,675 | 8,736 | 6,061 |
| Total revenues | <u>520,660</u> | <u>520,660</u> | <u>606,625</u> | <u>85,965</u> |
| Expenditures | | | | |
| Current: | | | | |
| Court related | 520,660 | 520,660 | 471,257 | 49,403 |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>-</u> | <u>135,368</u> | <u>135,368</u> |
| Other financing sources (uses) | | | | |
| Article V Reversion | - | - | (105,689) | (105,689) |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>29,679</u> | <u>29,679</u> |
| Fund balance, beginning of year | 33,376 | 33,376 | 33,376 | - |
| Fund balance, end of year | <u>\$ 33,376</u> | <u>\$ 33,376</u> | <u>\$ 63,055</u> | <u>\$ 29,679</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, 2021

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|--|-------------------------|-------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u> |
| Revenues | | | | |
| Charges for services | \$ 32,500 | \$ 32,500 | \$ 46,380 | \$ 13,880 |
| Miscellaneous | 750 | 750 | 132 | (618) |
| Total revenues | <u>33,250</u> | <u>33,250</u> | <u>46,512</u> | <u>13,262</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 34,800 | 34,800 | 6,500 | 28,300 |
| Court related | 88,750 | 88,750 | 24,059 | 64,691 |
| Total expenditures | <u>123,550</u> | <u>123,550</u> | <u>30,559</u> | <u>92,991</u> |
| Excess (deficiency) of revenues over expenditures | <u>(90,300)</u> | <u>(90,300)</u> | <u>15,953</u> | <u>106,253</u> |
| Net change in fund balance | (90,300) | (90,300) | 15,953 | 106,253 |
| Fund balance, beginning of year | 83,779 | 83,779 | 83,779 | - |
| Fund balance, end of year | <u>\$ (6,521)</u> | <u>\$ (6,521)</u> | <u>\$ 99,732</u> | <u>\$ 106,253</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
TITLE IV-D FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|--|-------------------------|-------------------|-------------------|-----------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget -</u> |
| | | | | <u>Positive</u> |
| | | | | <u>(Negative)</u> |
| Revenues | | | | |
| Intergovernmental | \$ 81,600 | \$ 81,600 | \$ 106,371 | \$ 24,771 |
| Total revenues | <u>81,600</u> | <u>81,600</u> | <u>106,371</u> | <u>24,771</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 161,100 | 161,100 | 68,012 | 93,088 |
| Excess (deficiency) of revenues over expenditures | <u>(79,500)</u> | <u>(79,500)</u> | <u>38,359</u> | <u>117,859</u> |
| Other financing sources (uses) | | | | |
| Transfers out | (36,000) | (36,000) | (30,150) | 5,850 |
| Net change in fund balance | <u>(115,500)</u> | <u>(115,500)</u> | <u>8,209</u> | <u>123,709</u> |
| Fund balance, beginning of year | 111,388 | 111,388 | 111,388 | - |
| Fund balance, end of year | <u>\$ (4,112)</u> | <u>\$ (4,112)</u> | <u>\$ 119,597</u> | <u>\$ 123,709</u> |

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, 2021**

(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 STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 SEPTEMBER 30, 2021**

| | <u>Domestic Relations Fund</u> | <u>Registry of Court Fund</u> | <u>General Trust Fund</u> | <u>Total Custodial Funds</u> |
|---------------------------------------|--|---------------------------------------|-----------------------------------|--------------------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 698 | \$ 114,934 | \$ 447,112 | \$ 562,744 |
| Due from other funds | 170 | - | 290 | 460 |
| Total Assets | <u>\$ 868</u> | <u>\$ 114,934</u> | <u>\$ 447,402</u> | <u>\$ 563,204</u> |
| Liabilities | | | | |
| Accounts payable and accrued expenses | \$ 175 | \$ - | \$ - | \$ 175 |
| Due to other governments | - | - | 264,561 | 264,561 |
| Due to other funds | 693 | - | 2,455 | 3,148 |
| Total liabilities | <u>\$ 868</u> | <u>\$ -</u> | <u>\$ 276,761</u> | <u>\$ 277,629</u> |
| Net Position | | | | |
| Restricted for: | | | | |
| Other individuals and organizations | \$ - | \$ 114,934 | \$ 170,641 | \$ 285,575 |
| Total net position | <u>\$ -</u> | <u>\$ 114,934</u> | <u>\$ 170,641</u> | <u>\$ 285,575</u> |

See accompanying notes to financial statements.

**GILCHRIST COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 SEPTEMBER 30, 2021**

| | Domestic Relations Fund | Registry of Court Fund | General Trust Fund | Total Custodial Funds |
|---|--|---------------------------------------|-----------------------------------|--------------------------------------|
| Additions | | | | |
| Court related | \$ 5,786 | \$ 167,738 | \$ 3,647,368 | \$ 3,820,892 |
| Total additions | <u>5,786</u> | <u>167,738</u> | <u>3,647,368</u> | <u>3,820,892</u> |
| Deductions | | | | |
| Court related | 5,786 | 74,286 | 3,621,974 | 3,702,046 |
| Total deductions | <u>5,786</u> | <u>74,286</u> | <u>3,621,974</u> | <u>3,702,046</u> |
| Net change in fiduciary net position | <u>-</u> | <u>93,452</u> | <u>25,394</u> | <u>118,846</u> |
| Net position, beginning of year, as restated | - | 21,482 | 145,247 | 166,729 |
| Net Position, end of year | <u>\$ -</u> | <u>\$ 114,934</u> | <u>\$ 170,641</u> | <u>\$ 285,575</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, 2021, 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 11, 2022, 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.

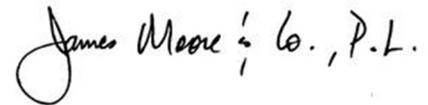
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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.

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 11, 2022



**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, 2021, and have issued our report thereon dated May 11, 2022.

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 11, 2022, 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

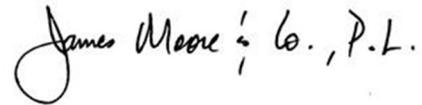
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 11, 2022



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, 2021. 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, 2021, 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, 2021.

Gainesville, Florida
May 11, 2022