

**TAYLOR COUNTY,
FLORIDA**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2020

TAYLOR COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2020
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INTRODUCTORY SECTION

TAYLOR COUNTY, FLORIDA
LIST OF PRINCIPAL OFFICIALS

Board of County Commissioners

District I	Malcolm Page
District II	Jim Moody
District III	Sean Murphy
District IV	Pam Feagle
District V	Thomas Damps

Clerk of Circuit Court	Annie Mae Murphy
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Property Appraiser	Bruce Ratliff
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Sheriff	Wayne Padgett
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Supervisor of Elections	Dana Southerland
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Tax Collector	Mark Wiggins
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COUNTY-WIDE FINANCIAL REPORT



Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

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Lake City, Florida 32025
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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Taylor County, Florida, as of and for the fiscal year ended September 30, 2020, which collectively comprise Taylor County, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express 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 under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 17, the budgetary comparison information on pages 68 through 75 and the pension schedules on pages 76 through 79 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.


Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2021, on our consideration of Taylor County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering Taylor County, Florida's internal control over financial reporting and compliance.

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

POWELL & JONES
Certified Public Accountants
May 10, 2021

TAYLOR COUNTY, FLORIDA
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2020

Taylor County, Florida's (County) management's discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2020. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

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

Its intent is to provide a brief, objective, and easily readable analysis of the County's financial performance for the year and its financial position at fiscal year end September 30, 2020.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

The statement of net position presents information on all assets and liabilities of the County, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Net position is reported in three categories: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental Activities separate from those of business-type activities.

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

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

Fund financial statements

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

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

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

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

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

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

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

Notes to the financial statements

The Notes to the financial statements provide additional detail concerning the financial activities and financial balances of the County. Additional information about the accounting practices of the County, investments of the County, long-term debt, and pension plan are some of the items included in the notes to the financial statements.

FINANCIAL HIGHLIGHTS

Total assets of the County exceeded total liabilities by \$89,295,548 (net position). Unrestricted net position for governmental activities was \$939,010 and for business-type activities was \$139,646. Governmental Activities restricted net position was \$7,630,635 and was \$-0- for Business-type Activities.

Total net position increased by \$430,209. Of that amount, \$417,946 is attributable to Governmental Activities and \$12,263 is attributable to Business-type Activities. This increase is primarily due to increased grants received in the current year.

Governmental Activities revenues increased \$9,505,163 to \$37,921,229. This 33% net increase in revenue was primarily attributable to much larger grant revenue than the prior year. Governmental Activities expenses increased by \$6,459,675 to \$37,503,283. This increase in expenses of 20.8% was primarily due to an overall increase in expenses, primarily from operating grants.

Business-type activities operating revenues decreased 16% to \$222,324, while business-type expenses decreased to \$210,674. The fund experienced a net profit of \$12,263.

FINANCIAL ANALYSIS OF THE COUNTY

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2020, the assets of the County exceed liabilities by \$89,295,548.

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

September 30, 2020 and 2019

	Governmental Activities	Business-type Activities	Total Government	
			2020	2019
Assets				
Current assets	\$ 25,903,382	\$ 154,651	\$ 26,058,033	\$ 23,190,628
Non-current assets	81,246,957	92,628	81,339,585	80,956,996
Total assets	107,150,339	247,279	107,397,618	104,147,624
Deferred Outflows of Resources	6,010,475	4,921	6,015,396	5,665,455
Liabilities				
Current liabilities (payable from current assets)	4,240,484	4,874	4,245,358	3,555,945
Noncurrent liabilities	19,128,481	14,456	19,142,937	15,749,558
Total liabilities	23,368,965	19,330	23,388,295	19,305,503
Deferred Inflows of Resources	728,575	596	729,171	1,642,237
Net Position				
Net position invested in capital assets, net of related debt	80,493,629	92,628	80,586,257	80,231,770
Net position, restricted	7,630,635	-	7,630,635	5,803,053
Net position, unrestricted	939,010	139,646	1,078,656	2,830,516
Total Net Position	<u>\$ 89,063,274</u>	<u>\$ 232,274</u>	<u>\$ 89,295,548</u>	<u>\$ 88,865,339</u>

90% of the County's net position reflects its investment in capital assets (land, buildings and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future

spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional 8.5% of the County's net position represents resources that are dedicated or subject to restrictions on how they may be used. The remaining balance of unrestricted net position \$939,010 may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. The increase in net position is due primarily to the increased value of capital grants received during the year..

Changes in Net Position
Fiscal Years Ended September 30, 2020 and 2019

	Governmental Activities	Business-type Activities	Total Government 2020	2019
Revenues:				
Program Revenues				
Charges for services	\$ 4,273,211	\$ 204,722	\$ 4,477,933	\$ 4,591,867
Operating grants/contributions	7,603,609	-	7,603,609	2,469,882
Capital grants/contributions	5,521,908	-	5,521,908	1,106,305
General Revenues				
Property taxes	12,069,709	-	12,069,709	11,339,517
Sales and use taxes	3,223,560	-	3,223,560	3,243,230
Franchise fees	15,031	-	15,031	17,281
Communications surtax	88,341	-	88,341	86,752
State shared revenues	4,584,084	-	4,584,084	4,846,196
Other	541,776	17,602	559,378	961,531
Total revenues	37,921,229	222,324	38,143,553	28,662,561
Expenses:				
General government	7,414,037	-	7,414,037	7,261,697
Public safety	12,654,384	-	12,654,384	10,360,807
Physical environment	1,779,852	-	1,779,852	1,752,663
Transportation	5,799,910	210,674	6,010,584	6,277,327
Economic environment	6,208,009	-	6,208,009	1,836,977
Human services	1,537,007	-	1,537,007	1,579,185
Culture/recreation	1,145,243	-	1,145,243	1,201,294
Court-related	950,339	-	950,339	1,038,487
Interest on long-term debt	13,889	-	13,889	15,077
Transfers	613	(613)	-	-
Total expenses and transfers	37,503,283	210,061	37,713,344	31,323,514
Increase (decrease) in net position	417,946	12,263	430,209	(2,660,953)
Beginning net position	88,645,328	220,011	88,865,339	91,526,292
Ending net position	\$ 89,063,274	\$ 232,274	\$ 89,295,548	\$ 88,865,339

Property taxes provide 32% of the revenues for Governmental Activities, while state shared revenues provide 9%, and sales and use taxes provide 9%. Capital grants comprised 14% of revenues. Most of the Governmental Activities resources are spent for Public Safety (34%), General Government (20%), Economic Environment (17%), Human Services (4%), Transportation (15%) and Physical Environment (5%) .

FUND FINANCIAL INFORMATION

Governmental Funds

General Fund

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County ordinances or other externally imposed requirements. As of September 30, 2020, total assets were \$11,517,862 and total liabilities were \$331,964. The ending fund balance was \$11,185,898. \$1,217,633 of the ending fund balance is assigned or restricted for specific identified purposes. \$9,968,264 is reflected as unassigned in the financial statements, but is included in the budget for the next fiscal year to fund reserves and various capital projects.

As of September 30, 2020, total revenue, \$15,519,484 exceeded total expenditures of \$5,459,899, by \$10,059,585. In addition, \$9,668,281 was also transferred to constitutional officers to fund their budgets and to other funds for operational costs. Total transfers in from other funds was \$233,175. The net increase in the fund balance in the General Fund was \$624,479.

During the fiscal year, the County amended and increased the General Fund budget by \$930,580. The County budgeted ad valorem taxes at 95% of the total tax levy, as allowed by State law; actual collections were 97%.

Other Governmental Funds

Financial highlights of selected other County funds follow:

The Small County Sales Surtax Tax Fund accounts for the local one-cent discretionary small county sales surtax. County voters approved the one-cent sales tax in October 1999, for a period of 30 years, beginning January 1, 2000. The proceeds from the sales tax were initially used to pay the principal and interest payments on the Sales Tax Revenue Bonds, that were issued to provide funds to acquire, construct, and equip a hospital facility located in the County. The Sales Tax Revenue Bonds were fully paid off in the 2018 fiscal year. The sales tax is now being accounted for in the Small County Sales Surtax Fund. The tax generated \$1,937,699 in the 2020 fiscal year, reflecting a 5% increase from the prior fiscal year's \$1,853,400.

The Municipal Services Taxing Unit (MSTU) Fund is used to account for the provision of fire services, building and planning services, animal control and code enforcement. The primary source of funds, 78%, is ad valorem taxes. 74% of the total expenditures incurred in the MSTU fund are for fire services provided in the unincorporated area of the County.

The Road and Bridge (Transportation) Fund accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. As of September 30, 2020, revenues and transfers in were less than expenditures and transfers out by \$53,233. Operational costs of the County Road Department decreased by \$137,800 while capital expenditures increased by \$246,158. Gas tax revenue decreased at a rate of 0.5%. Secondary road paving funds are utilized for funding shortfalls in the road and bridge operations fund. \$518,810 was transferred in the 2020 fiscal year which would otherwise been available for road paving or other purposes.

The Secondary Road Projects (Paving) Fund accounts for the use of gas taxes restricted for transportation improvements, such as roads, bridges, and right-of-way acquisition. This gas tax revenue decreased by 10% \$(103,727). There were \$98,902 in capital outlay expenditures for road paving projects in 2020 as compared to none in 2019. \$518,810 was transferred to the Road and

Bridge Fund. This fund had a fund balance of \$3,240,698 at the end of the 2020 fiscal year. These funds have been, or will be committed for on-going road-paving projects.

The Sheriff General Fund is the operating fund of the Sheriff, a constitutional officer. The primary source of funds are transfers from the Board of County Commissioners General Fund. Expenditures represent 23% of total expenditures of the governmental funds. Expenditures total \$8,076,780 for the year. By law this fund has no ending fund balance.

Proprietary Fund

The Airport Enterprise Fund is used to account for the revenues, expenses, assets, and liabilities associated with the County operated aviation fuel sales at the County airport facility. This is operated like a business, where the rates established by the County should generate sufficient funds to pay the costs of current operations and provide for the accumulation of funding for capital asset acquisition. Total assets as of September 30, 2020, were \$247,279, total liabilities were \$19,330, and net position was \$232,274. Operating revenue was \$222,324. Operating expenses were \$210,674. Then net operating income was \$12,263.

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2020, is \$81,339,585 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation.

Capital Assets

The increase of \$382,589 from the prior year is primarily attributable to capital additions and infrastructure depreciation.

	Beginning Balance	Additions	Deletions and Adjustments	Balance
<i>Governmental Activities:</i>				
Capital assets				
Land and improvements	\$ 24,361,174	\$ 505,199	\$ -	\$ 24,866,373
Construction in progress	6,190,204	4,134,606	-	10,324,810
Infrastructure	91,261,695	38,052	-	91,299,747
Buildings	29,149,034	201,116	-	29,350,150
Equipment	21,895,314	1,371,351	(692,385)	22,574,280
Total accumulated depreciation	(91,986,435)	(5,181,968)	-	(97,168,403)
Capital assets, net	<u>80,870,986</u>	<u>1,068,356</u>	<u>(692,385)</u>	<u>81,246,957</u>
<i>Business type activities:</i>				
Equipment	\$ 151,564	\$ 8,753	\$ -	\$ 160,317
Less accumulated depreciation	(65,554)	(2,135)	-	(67,689)
Business activities capital assets, net	<u>\$ 86,010</u>	<u>\$ 6,618</u>	<u>\$ -</u>	<u>\$ 92,628</u>

DEBT MANAGEMENT

A summary of County debt transactions for the fiscal year ended September 30, 2020 follows:

	Balance at 9/30/2019	Additions	Deletions	Balance at 9/30/2020	Due Within One Year
Governmental Activities:					
Capital Leases	\$ 725,226	\$ 310,000	\$ 281,898	\$ 753,328	\$ 57,232
Other liabilities:					
Compensated Absences payable	825,068	364,050	-	1,189,118	178,368
County's proportionate share of FRS pension liability	16,658,021	3,691,872	-	20,349,893	2,692,416
	18,208,315	4,365,922	281,898	22,292,339	2,928,016
Business-Type Activities					
County's proportionate share of FRS pension liability	27,916	-	(11,256)	16,660	2,204
	<u>\$ 18,236,231</u>	<u>\$ 4,365,922</u>	<u>\$ 270,642</u>	<u>\$ 22,308,999</u>	<u>\$ 2,930,220</u>

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The unemployment rate for the County for September, 2020 was 5.4%. This represents an increase from the prior fiscal year of 3.1%.
- The median family household income for the County in 2020 was \$40,306, 28% less than the statewide average of \$55,660.
- The County-wide ad valorem tax millage rate for the County was 7.2426 for 2020. There was an increase in revenue of \$29,573. As a fiscally constrained county, Taylor County received a distribution of \$705,035 from the State. It is hopeful that the "offset" will continue in the future.

REQUEST FOR INFORMATION

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. Questions concerning this report or requests for additional information should be addressed to the County Finance Director, 108 N. Jefferson Street, Suite 102, Perry, Florida, 32347, or by calling 850-838-3506, extension 122.

BASIC FINANCIAL STATEMENTS

TAYLOR COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2020

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 13,230,486	\$ 135,334	\$ 13,365,820
Accounts receivable - net	136,445	-	136,445
Due from agency funds	103,967	-	103,967
Due from other governmental units	2,858,401	-	2,858,401
Inventories	233,446	19,317	252,763
Investments	9,340,637	-	9,340,637
Total current assets	<u>25,903,382</u>	<u>154,651</u>	<u>26,058,033</u>
Noncurrent assets:			
Capital assets not being depreciated	19,745,551	-	19,745,551
Capital assets being depreciated, net	61,501,406	92,628	61,594,034
	<u>81,246,957</u>	<u>92,628</u>	<u>81,339,585</u>
Total assets	<u>107,150,339</u>	<u>247,279</u>	<u>107,397,618</u>
DEFERRED OUTFLOWS OF RESOURCES			
Share of pension plan deferred outflows	<u>6,010,475</u>	<u>4,921</u>	<u>6,015,396</u>
LIABILITIES			
Current liabilities (payable from current assets):			
Accounts payable	610,277	2,120	612,397
Due to agency funds	1,065	-	1,065
Accrued wages	116,373	-	116,373
Unearned revenues	302,008	-	302,008
Accrued compensated absences	178,368	-	178,368
Current portion:			
Capital leases	293,074	-	293,074
Pension liability	2,692,416	2,204	2,694,620
Other current liabilities	46,903	550	47,453
Total current liabilities (payable from current assets)	<u>4,240,484</u>	<u>4,874</u>	<u>4,245,358</u>
Noncurrent liabilities			
Capital leases payable	460,254	-	460,254
Accrued compensated absences	1,010,750	-	1,010,750
Pension plan liability	17,657,477	14,456	17,671,933
Total long-term liabilities	<u>19,128,481</u>	<u>14,456</u>	<u>19,142,937</u>
Total liabilities	<u>23,368,965</u>	<u>19,330</u>	<u>23,388,295</u>
(Continued)			

TAYLOR COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2020

	Governmental Activities	Business - type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Share of pension plan deferred inflows	\$ 728,575	\$ 596	\$ 729,171
	<u>728,575</u>	<u>596</u>	<u>729,171</u>
NET POSITION			
Invested in capital assets, net of related debt	80,493,629	92,628	80,586,257
Restricted	7,630,635	-	7,630,635
Unrestricted	939,010	139,646	1,078,656
Total net position	<u>\$ 89,063,274</u>	<u>\$ 232,274</u>	<u>\$ 89,295,548</u>

See notes to financial statements.

TAYLOR COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2020

		Program Services			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Functions/Programs	Expenses						
Governmental Activities							
General government	\$ 7,414,037	\$ 1,296,158	\$ 79,791	\$ -	\$ (6,038,088)	\$ -	\$ (6,038,088)
Public safety	12,654,384	987,673	1,696,887	778,230	(9,191,594)	-	(9,191,594)
Physical environment	1,779,852	1,223,209	92,409	60,000	(404,234)	-	(404,234)
Transportation	5,799,910	115,470	5,175,853	4,121,719	3,613,132	-	3,613,132
Economic environment	6,208,009	-	387,644	350,000	(5,470,365)	-	(5,470,365)
Human services	1,537,007	31,874	69,158	-	(1,435,975)	-	(1,435,975)
Culture/recreation	1,145,243	161,043	18,548	211,959	(753,693)	-	(753,693)
Court-related	950,339	457,784	83,319	-	(409,236)	-	(409,236)
Interest on long-term debt	13,889	-	-	-	(13,889)	-	(13,889)
Total governmental activities	37,502,670	4,273,211	7,603,609	5,521,908	(20,103,942)	-	(20,103,942)
Business - type activities							
Transportation							
Airport	210,674	204,722	-	-	-	(5,952)	(5,952)
Total government	<u>\$ 37,713,344</u>	<u>\$ 4,477,933</u>	<u>\$ 7,603,609</u>	<u>\$ 5,521,908</u>	<u>(20,103,942)</u>	<u>(5,952)</u>	<u>(20,109,894)</u>
General revenues							
Ad valorem taxes					12,069,709	-	12,069,709
Sales and use taxes					3,223,560	-	3,223,560
Communications service tax					88,341	-	88,341
Franchise fees					15,031	-	15,031
Federal and state shared revenue					4,584,084	-	4,584,084
Payments in lieu of taxes					30,997	-	30,997
Interest					105,022	-	105,022
Miscellaneous					405,757	17,602	423,359
Transfers in (out)					(613)	613	-
Total general revenue and transfers					20,521,888	18,215	20,540,103
Change in net position					417,946	12,263	430,209
Net position beginning of year					88,645,328	220,011	88,865,339
Net position end of year					<u>\$ 89,063,274</u>	<u>\$ 232,274</u>	<u>\$ 89,295,548</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2020**

	Special Revenue								Capital Projects	Other Governmental Funds	Total Governmental Funds
	General	Road and Bridge	Municipal Services Taxing Unit	FRA Rail Grant	Small County Sales Surtax	Solid Waste	Sheriff Operating	Tax Collector Operating	Secondary Road Projects		
ASSETS											
Cash	\$ 2,731,891	\$ -	\$ 889,531	\$ 106,169	\$ 3,579,210	\$ 158,068	\$ 255,478	54,206	\$ 1,180,679	\$ 4,275,254	\$ 13,230,486
Accounts receivable	27,527	-	1,307	7,500	-	1,562	-	-	-	98,549	136,445
Due from other funds	2,504,679	781,104	146,888	-	-	134,515	-	-	12,260	102,669	3,682,115
Due from other governmental units	544,351	144,760	48,152	-	220,297	500	51,945	-	86,665	1,761,731	2,858,401
Inventories	-	233,446	-	-	-	-	-	-	-	-	233,446
Investments	5,709,414	86,798	521,585	-	118	87,633	-	-	2,479,904	455,185	9,340,637
Total assets	\$ 11,517,862	\$ 1,246,108	\$ 1,607,463	\$ 113,669	\$ 3,799,625	\$ 382,278	\$ 307,423	\$ 54,206	\$ 3,759,508	\$ 6,693,388	\$ 29,481,530
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Accounts payable	\$ 143,747	\$ 49,161	\$ 7,970	\$ 113,669	\$ -	\$ 37,096	\$ 30	\$ -	\$ -	\$ 258,604	\$ 610,277
Accrued wages	36,748	31,256	31,763	-	-	13,943	-	-	-	2,663	116,373
Accrued payroll liabilities	44,485	-	-	-	-	-	-	-	-	-	44,485
Due to other funds	106,984	370,193	30,969	-	412,668	4,096	307,275	52,106	518,810	1,776,112	3,579,213
Unearned revenues	-	-	-	-	-	-	-	-	-	302,008	302,008
Other current liabilities	-	-	-	-	-	-	118	2,100	-	200	2,418
Total liabilities	331,964	450,610	70,702	113,669	412,668	55,135	307,423	54,206	518,810	2,339,587	4,654,774
FUND BALANCES											
Nonspendable	-	233,446	-	-	-	-	-	-	-	-	233,446
Restricted	504,146	562,052	-	-	-	-	-	-	3,240,698	3,323,739	7,630,635
Assigned	713,488	-	1,536,761	-	3,386,957	327,143	-	-	-	1,030,062	6,994,411
Unassigned	9,968,264	-	-	-	-	-	-	-	-	-	9,968,264
Total fund balances	11,185,898	795,498	1,536,761	-	3,386,957	327,143	-	-	3,240,698	4,353,801	24,826,756
Total liabilities and fund balances	\$ 11,517,862	\$ 1,246,108	\$ 1,607,463	\$ 113,669	\$ 3,799,625	\$ 382,278	\$ 307,423	\$ 54,206	\$ 3,759,508	\$ 6,693,388	

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

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

81,246,957

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

Capital leases

(753,328)

Accrued compensated absences

(1,189,118)

FRS pension liability

(20,349,893)

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

Deferred outflows (inflows) of resources

5,281,900

Net position of governmental activities

\$ 89,063,274

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2020**

	Special Revenue								Capital Projects	Other Governmental Funds	Total Governmental Funds
	General	Road and Bridge	Municipal Services Taxing Unit	FRA Rail Grant	Small County Sales Surtax	Solid Waste	Sheriff Operating	Tax Collector Operating	Secondary Road Projects		
REVENUES											
Taxes	\$ 10,675,391	\$ 791,928	\$ 1,482,663	\$ -	\$ 1,937,699	\$ 15,031	\$ -	\$ -	\$ -	\$ 493,931	\$ 15,396,643
Licenses and permits	-	135	200,907	-	-	-	-	-	-	-	201,042
Intergovernmental	4,183,155	761,608	196,271	5,124,436	-	12,010	1,064,902	-	926,676	6,201,456	18,470,514
Charges for services	287,703	-	1,965	-	-	-	174,848	831,464	-	660,454	1,956,434
Fines and forfeitures	11,898	-	-	-	-	-	-	-	-	116,875	128,773
Miscellaneous	138,165	39,311	19,711	-	-	165,122	12,487	-	-	27,456	402,252
Special assessments	157,060	-	-	-	-	1,049,191	-	-	-	54,298	1,260,549
Interest	66,112	2,670	7,086	-	681	1,084	-	-	26,135	1,254	105,022
Total revenues	15,519,484	1,595,652	1,908,603	5,124,436	1,938,380	1,242,438	1,252,237	831,464	952,811	7,555,724	37,921,229
EXPENDITURES											
Current expenditures											
General government	1,934,243	22	207,093	-	-	-	-	1,101,704	-	2,612,270	5,855,332
Public safety	914,497	-	1,354,529	-	712,246	-	7,316,143	-	-	320,137	10,617,552
Physical environment	300,657	41,590	-	-	-	1,202,254	-	-	-	35,516	1,580,017
Transportation	-	2,189,490	-	-	-	-	-	-	-	177,895	2,367,385
Economic environment	461,758	-	-	5,124,436	-	-	-	-	-	614,296	6,200,490
Human services	585,159	-	186,732	-	-	-	-	-	-	17,496	789,387
Culture / recreation	633,531	-	-	-	-	-	-	-	-	15,358	648,889
Court-related	162,636	-	-	-	-	-	-	-	-	602,231	764,867
Capital outlay											
General government	27,385	-	-	-	-	-	-	-	-	29,123	56,508
Public safety	116,376	-	101,341	-	-	-	760,637	-	-	16,113	994,467
Physical environment	-	-	-	-	-	110,726	-	-	-	15,520	126,246
Transportation	-	321,722	-	-	-	-	-	-	160,759	4,026,606	4,509,087
Economic environment	570	-	-	-	-	-	-	-	-	12,830	13,400
Human services	57,874	-	-	-	-	-	-	-	-	-	57,874
Culture / recreation	204,001	-	-	-	-	-	-	-	-	283,128	487,129
Court-related	3,980	-	-	-	-	-	-	-	-	1,633	5,613
Debt service											
Principal	57,232	156,599	68,067	-	-	-	-	-	-	-	281,898
Interest	-	7,936	5,953	-	-	-	-	-	-	-	13,889
Total expenditures	5,459,899	2,717,359	1,923,715	5,124,436	712,246	1,312,980	8,076,780	1,101,704	160,759	8,780,152	35,370,030
Excess of revenues over (under) expenditures	10,059,585	(1,121,707)	(15,112)	-	1,226,134	(70,542)	(6,824,543)	(270,240)	792,052	(1,224,428)	2,551,199
OTHER FINANCING SOURCES (USES)											
Proceeds of long-term debt	-	310,000	-	-	-	-	-	-	-	-	310,000
Interfund transfers in	233,175	792,142	175,202	-	-	155,480	6,830,543	270,240	-	2,511,177	10,967,959
Interfund transfers out	(9,668,281)	(23,668)	(53,104)	-	(412,668)	(91,240)	(6,000)	-	(518,810)	(194,801)	(10,968,572)
Total other financing sources (uses)	(9,435,106)	1,078,474	122,098	-	(412,668)	64,240	6,824,543	270,240	(518,810)	2,316,376	309,387
Net change in fund balances	624,479	(43,233)	106,986	-	813,466	(6,302)	-	-	273,242	1,091,948	2,860,586
Fund balances beginning of year	10,561,419	838,731	1,429,775	-	2,573,491	333,445	-	-	2,967,456	3,261,853	21,966,170
Fund balances end of year	\$ 11,185,898	\$ 795,498	\$ 1,536,761	\$ -	\$ 3,386,957	\$ 327,143	\$ -	\$ -	\$ 3,240,698	\$ 4,353,801	\$ 24,826,756

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Fiscal Year Ended September 30, 2020

Net change in fund balances - total governmental funds		\$	2,860,586
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	\$	6,250,324	
Less current year depreciation		(5,181,968)	
The net effect of dispositions of fixed assets		<u>(692,385)</u>	375,971

Repayments of debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Proceeds of long-term debt are other financing sources in the governmental funds but are additions to long-term debt in the statement of net position

Proceeds of long-term debt	(310,000)	
Payments for capital leases and notes	<u>281,898</u>	(28,102)

Some revenues (expenses) reported in the statement of activities do not provide (require) the use of current financial resources, therefore, are not reported as revenues (expenditures) in governmental funds.

Net change in deferred outflows (inflows) of resources	1,265,413	
Net change in compensated absences	(364,050)	
Net change in pension liability	<u>(3,691,872)</u>	<u>(2,790,509)</u>

Change in net position of governmental activities		\$	<u>417,946</u>
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See notes to financial statements.

TAYLOR COUNTY, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUND
September 30, 2020**

	Airport Enterprise
ASSETS	
Current assets:	
Cash	\$ 135,334
Inventories	19,317
Total current assets	<u>154,651</u>
Fixed assets:	
Equipment	160,317
Less: accumulated depreciation	<u>(67,689)</u>
Total fixed assets	<u>92,628</u>
Total assets	<u>247,279</u>
DEFERRED OUTFLOWS OF RESOURCES	
Share of pension plan deferred outflows	<u>4,921</u>
LIABILITIES	
Current liabilities	
Accounts payable	2,120
Accrued wages	550
Total current liabilities	<u>2,670</u>
Noncurrent liabilities	
Pension plan liability	<u>16,660</u>
Total liabilities	<u>19,330</u>
DEFERRED INFLOWS OF RESOURCES	
Share of pension plan deferred inflows	<u>596</u>
NET POSITION	
Invested in capital assets	92,628
Unrestricted	139,646
Total net position	<u><u>\$ 232,274</u></u>

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2020

	<u>Airport Enterprise</u>
OPERATING REVENUES	
Transportation	
Airports	
Airport fuel sales	\$ 204,722
Miscellaneous	17,602
	<u>222,324</u>
OPERATING EXPENSES	
Airport fuel operations	
Personnel services	
Regular salaries	15,886
Employee benefits	7,311
Total personnel services	<u>23,197</u>
Operating expenses	
Communications	441
Contractual services	1,956
Utility services	1,793
Repair and maintenance	4,247
Petroleum products	176,764
Supplies	141
Depreciation	2,135
Total operating expenses	<u>187,477</u>
Total operating expenses	<u>210,674</u>
Operating income before transfers	11,650
Transfer in	<u>613</u>
Change in net position	12,263
Net position, beginning of year	220,011
Net position, end of year	<u>\$ 232,274</u>

See notes to financial statements.

	Airport Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 204,722
Cash payments to employees	(15,743)
Cash payments for employee benefits	(16,161)
Cash payments for suppliers	(162,605)
Interest income	17,602
Net cash used by operating activities	27,815
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	613
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of fixed assets	(8,753)
Cash and cash equivalents, beginning of year	115,659
Cash and cash equivalents, end of year	\$ 135,334
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating income	\$ 11,650
Adjustments to reconcile operating income to net cash used by operating activities	
Depreciation	2,135
FRS pension liability and deferred outflows and inflows	(8,850)
Changes in assets and liabilities	
(Increase) decrease in:	
Inventories	22,972
Increase (decrease) in:	
Accounts payable	(235)
Accrued wages	143
Total adjustments	16,165
Net cash used by operating activities	\$ 27,815

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TAYLOR COUNTY, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS September 30, 2020

	Clerk of Courts			Sheriff			Tax Collector		
	General Trust	Registry of Court	Cash Bond	Individual Depository	Inmate Trust	Evidence Trust	Tax	Tag	Totals
ASSETS									
Cash	\$ 99,359	\$ 67,713	\$ 13,836	\$ 8,986	\$ 27,164	\$ 3,511	\$ 334,650	\$ -	\$ 555,219
Accounts receivable	800	-	-	-	2,263	-	30,769	19,348	53,180
Due from other funds	1,065	-	-	-	-	-	45,315	-	46,380
Investments	118,420	-	-	-	-	-	-	-	118,420
Due from other governmental units	-	-	-	-	-	-	-	29,896	29,896
Total assets	\$ 219,644	\$ 67,713	\$ 13,836	\$ 8,986	\$ 29,427	\$ 3,511	\$ 410,734	\$ 49,244	\$ 803,095
LIABILITIES									
Due to individuals	\$ -	\$ -	\$ -	\$ 7,026	\$ -	\$ -	\$ -	\$ -	\$ 7,026
Due to other funds	102,007	-	-	1,960	-	-	-	45,315	149,282
Due to other governmental units	4,225	-	-	-	-	-	2,368	145	6,738
Cash bonds payable	9,000	-	13,836	-	-	-	-	-	22,836
Interest payable	8,401	-	-	-	-	-	-	-	8,401
Other current liabilities	34	-	-	-	29,427	3,511	11,015	(6,703)	37,284
Taxes and fees payable	-	-	-	-	-	-	388,144	-	388,144
Deposits payable	95,977	67,713	-	-	-	-	9,207	10,487	183,384
Total liabilities	219,644	67,713	13,836	8,986	29,427	3,511	410,734	49,244	803,095
NET POSITION									
Total net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

TAYLOR COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS

September 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is

financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the County's special purpose financial statements. Management determined that there are no organizations that should be included in the County's financial statements as component units, except for the constitutional officer component units described above.

B. Measurement Focus and Basis of Accounting

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

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

1. Government-wide Financial Statements

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

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

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted

to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

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

2. Fund Financial Statements

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

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

3. Governmental Funds

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

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

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

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

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

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

4. Proprietary Funds

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

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

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

source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

C. Basis of Presentation

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

1. Governmental Major Funds:

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

FRA Rail Grant Fund - The FRA Rail Grant Fund is used to account for the Federal Railroad Administration rail grant which will fund railroad track and bridge improvements to upgrade service to the Foley Cellulose Mill, a large employer in Taylor County.

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

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

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

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

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

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

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

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

2. Proprietary Major Fund:

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

Non-current Governmental Assets/Liabilities:

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

D. Assets, Liabilities and Net position or Equity

1. Cash and Cash Equivalents

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

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

2. Investments

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

3. Receivables and Payables

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

All receivables are shown net of an allowance for doubtful accounts. Any receivables in excess of 180 days would comprise the trade accounts receivable allowance for doubtful accounts. At September 30, 2020, there was no allowance for doubtful accounts.

4. Inventories

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

5. Restricted Assets

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

6. Capital Assets

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

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

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

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

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

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

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

7. Capitalization of Interest

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

8. Revenues Collected in Advance

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

9. Prepaid Items

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

10. Accrued Compensated Absences

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

11. Deferred Inflows (Outflows) of Resources

An acquisition of net position by the County that is applicable to a future reporting period is required to be classified as a Deferred Inflow of Resources under Governmental Accounting Standards Board (GASB) Statement Number 65. Deferred Outflows of Resources represent a consumption of net position that applies to a future period and therefore will not be recognized as expended until then. The County reports deferred inflows and outflows of resources in compliance with GASB 68 that are related to its share of the Florida State Pension System net pension liability.

12. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the “revenue reduction” approach in accounting to rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2020.

13. Landfill Closure Costs

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

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

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

“Total fund balances” of the County’s governmental funds (\$24,826,756) differs from “net position” of governmental activities (\$89,063,274) reported in the statement of net position. This difference primarily results from the long-term economical focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Capital related items

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

Cost of capital assets	\$ 178,415,360
Accumulated depreciation	<u>(97,168,403)</u>
Total	<u>\$ 81,246,957</u>

Long-term debt transactions

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2020, were:

Capital leases payable	\$ 753,328
Compensated absences	1,189,118
Pension liability	<u>20,349,893</u>
Total	<u>\$ 22,292,339</u>

Deferred Outflow and Inflow of Resources

The net effect of deferred outflows and inflows of resources related to the County's proportionate share of the FRS pension plan liability was \$5,281,900.

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$ 3,578,148 between governmental funds must be eliminated for the statement of net position.

TAYLOR COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Deferred Inflows Outflow s	Reclassifications and Eliminations	Statement of Net Position
ASSETS						
Cash and cash equivalents	\$ 13,230,486	\$ -	\$ -	\$ -	\$ -	\$ 13,230,486
Accounts receivable - net	136,445	-	-	-	-	136,445
Due from other funds	3,682,115	-	-	-	(3,578,148)	103,967
Due from other governmental units	2,858,401	-	-	-	-	2,858,401
Inventories	233,446	-	-	-	-	233,446
Investments	9,340,637	-	-	-	-	9,340,637
Capital assets - net	-	81,246,957	-	-	-	81,246,957
Total assets	<u>29,481,530</u>	<u>81,246,957</u>	<u>-</u>	<u>-</u>	<u>(3,578,148)</u>	<u>107,150,339</u>
DEFERRED OUTFLOW OF RESOURCES	-	-	-	6,010,475	-	6,010,475
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>29,481,530</u>	<u>81,246,957</u>	<u>-</u>	<u>6,010,475</u>	<u>(3,578,148)</u>	<u>113,160,814</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	610,277	-	-	-	-	610,277
Accrued wages	116,373	-	-	-	-	116,373
Accrued payroll liabilities	44,485	-	-	-	-	44,485
Due to other funds	3,579,213	-	-	-	(3,578,148)	1,065
Revenues collected in advance	302,008	-	-	-	-	302,008
Other current liabilities	2,418	-	-	-	-	2,418
Accrued compensated absences	-	-	1,189,118	-	-	1,189,118
Capital leases payable	-	-	753,328	-	-	753,328
Pension liability	-	-	20,349,893	-	-	20,349,893
Total liabilities	<u>4,654,774</u>	<u>-</u>	<u>22,292,339</u>	<u>-</u>	<u>(3,578,148)</u>	<u>23,368,965</u>
DEFERRED INFLOWS OF RESOURCES	-	-	-	728,575	-	728,575
Fund balances/net position	<u>24,826,756</u>	<u>81,246,957</u>	<u>(22,292,339)</u>	<u>5,281,900</u>	<u>-</u>	<u>89,063,274</u>
Total liabilities , deferred inflows and net position	<u>\$ 29,481,530</u>	<u>\$ 81,246,957</u>	<u>\$ -</u>	<u>\$ 6,010,475</u>	<u>\$ (3,578,148)</u>	<u>\$ 113,160,814</u>

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

The “net change in fund balances” for governmental funds (\$2,860,586) differs from the “change in net position” for governmental activities (\$417,946) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

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

Capital outlay	\$ 6,250,324
Reclassifications /deletions	(692,385)
Depreciation expense	<u>(5,181,968)</u>
Difference	<u>\$ 375,971</u>

Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities. Proceeds of long-term debt increase fund balance in the governmental fund statements but are increases to liabilities in the Statement of Net Position.

Principal payments made	<u>\$ 281,898</u>
Debt proceeds	<u>\$ (310,000)</u>

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

Net change in compensated absences	<u>\$ (364,050)</u>
Net change in pension related liabilities and deferred inflows and outflows of resources	<u>\$ (2,426,459)</u>

Reclassification and Eliminations

Transfers in and transfers out in the amount of \$ 10,967,959 between governmental activities should be eliminated.

TAYLOR COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Compensated Absences	Net Pension Liability Deferred Inflows/Outflows of Resources	Reclassifications and Eliminations	Statement of Activities
REVENUES							
Taxes	\$ 15,396,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,396,643
Licenses and permits	201,042	-	-	-	-	-	201,042
Intergovernmental	18,470,514	-	-	-	-	-	18,470,514
Charges for services	1,956,434	-	-	-	-	-	1,956,434
Fines and forfeitures	128,773	-	-	-	-	-	128,773
Special assessments	1,260,549	-	-	-	-	-	1,260,549
Interest	105,022	-	-	-	-	-	105,022
Miscellaneous	402,252	-	-	-	-	-	402,252
Total revenues	37,921,229	-	-	-	-	-	37,921,229
EXPENDITURES							
Current Expenditures							
General government	5,855,332	758,449	-	61,574	738,682	-	7,414,037
Public safety	10,617,552	347,773	-	314,803	1,374,256	-	12,654,384
Physical environment	1,580,017	123,803	-	5,949	70,083	-	1,779,852
Transportation	2,367,385	3,303,732	-	8,553	120,240	-	5,799,910
Economic environment	6,200,490	105	-	(17,086)	24,500	-	6,208,009
Human services	789,387	740,058	-	(4,280)	11,842	-	1,537,007
Culture/recreation	648,889	479,439	-	(5,463)	22,378	-	1,145,243
Court related	764,867	120,994	-	-	64,478	-	950,339
Capital outlay							
General government	56,508	(56,508)	-	-	-	-	-
Public safety	994,467	(994,467)	-	-	-	-	-
Physical environment	126,246	(126,246)	-	-	-	-	-
Transportation	4,509,087	(4,509,087)	-	-	-	-	-
Economic environment	13,400	(13,400)	-	-	-	-	-
Human services	57,874	(57,874)	-	-	-	-	-
Culture/recreation	487,129	(487,129)	-	-	-	-	-
Court related	5,613	(5,613)	-	-	-	-	-
Debt Service							
Principal	281,898	-	(281,898)	-	-	-	-
Interest	13,889	-	-	-	-	-	13,889
Total expenditures	35,370,030	(375,971)	(281,898)	364,050	2,426,459	-	37,502,670
Excess of revenues over (under) expenditures	2,551,199	375,971	281,898	(364,050)	(2,426,459)	-	418,559
OTHER FINANCING SOURCES (USES)							
Debt proceeds	310,000	-	(310,000)	-	-	-	-
Transfers in	10,967,959	-	-	-	-	(10,967,959)	-
Transfers out	(10,968,572)	-	-	-	-	10,967,959	(613)
Total other financing sources (uses)	309,387	-	(310,000)	-	-	-	(613)
Net change in fund balance	2,860,586	375,971	(28,102)	(364,050)	(2,426,459)	-	417,946
Fund balances at beginning of year	21,966,170	80,870,986	(725,226)	\$ (825,068)	(12,641,534)	-	88,645,328
Fund balances at end of year	\$ 24,826,756	\$ 81,246,957	\$ (753,328)	\$ (1,189,118)	\$ (15,067,993)	\$ -	\$ 89,063,274

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

1. Prior to July 15, the Clerk of the Circuit Court serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
5. Formal budgetary integration is employed as a management control device in all governmental funds.
6. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2020, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budget is adopted on the accrual basis.
7. Legal control of the budget is exercised pursuant to applicable provisions of *Florida Statutes*.
8. Appropriations for the County lapse at the close of the fiscal year.
9. The following is a comparison of the appropriations to total expenses for the proprietary fund for the fiscal year ended September 30, 2020.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive</u>
Primary Government			
Enterprise Funds:			
Airport Enterprise	<u>\$ 466,693</u>	<u>\$ 210,674</u>	<u>\$ 256,019</u>

NOTE 4. CASH AND CASH EQUIVALENTS

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

A. Deposits

At September 30, 2020, the carrying amount of the County's bank deposits was \$13,921,039. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

B. Investments

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

Florida PRIME

The County's investment in Florida PRIME is administered by the Florida State Board of Administration (SBA). Florida PRIME is an external investment pool that is not a registrant with the SEC; however, the SBA has adopted operating procedures consistent with the requirements for a SEC Rule 2a-7 fund. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general operating procedures for the administration of Florida PRIME. Additionally, the State of Florida, Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Throughout the year and as of September 30, 2020, Florida PRIME contained certain floating rate and adjustable rate securities that were indexed based on the prime rate and/or one- and three-month LIBOR. These floating rate and adjustable rate securities are used to hedge against interest risk and provide diversification to the portfolio.

Exposure to a single issuer is limited to 5% of the portfolio's amortized cost. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form. At September 30, 2020, the County had \$6,213,690 invested in Florida PRIME. Florida PRIME's most recent financial statements can be found at <https://www.sbafla.com/prime/Audits/tabid/582Default.aspx>. The investment policies related to Florida PRIME can be found at <https://www.sbafla.com/prime/home/RiskManagementOversight.aspx>.

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

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

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

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

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

Fair Value Measurements

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

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the participant account

balance is considered the fair value of the investment. Florida PRIME investment is exempt from the GASB 72 fair value hierarchy disclosures.

As of September 30, 2020, the County's investment in the Florida PRIME investment pool is rated AAAm by Standard & Poors.

Investment Objective

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Investment performance of Florida PRIME will be evaluated on a monthly basis against the Standard & Poors U.S. AAA & AA Rated GIP All 30 Day Net Yield Index. While there is no assurance that Florida PRIME will achieve its investment objectives, it endeavors to do so by following the investment strategies described in its policy.

Interest Rate Risk

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2020, is 48 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2020, is 63 days.

Foreign Currency Risk

Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2019 through September 30, 2020.

Securities Lending

Florida PRIME did not participate in a securities lending program in the period October 1, 2019 through September 30, 2020.

Fair Value Hierarchy

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

Limitations or Restrictions on Withdrawals

As of September 30, 2020, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Florida Local Government Investment Trust Fund (Trust)

The Florida Local Government Investment Trust (Florida Trust) is a local government investment pool (LGIP) developed through the joint efforts of the Florida Court Clerks and

Comptrollers (FCCC) and the Florida Association of Counties (FAC). Organized on December 12, 1991, The Florida Trust is designed to complement existing investment programs by providing investment vehicles for funds that can be invested in short- to intermediate-term securities and have returns generally greater than the national average for money market instruments. The Florida Trust offers two open-ended, professionally managed funds available only to public entities in Florida, the Short-term Bond Fund and the Day to Day Fund. All of the County's investment was invested in the Day to Day Fund. The Florida Trust Day to Day Fund had a net position of \$761,710,466 at September 30, 2020. The Day to Day Fund is a Fitch AAAM rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The average maturity was 27.33 days as of September 30, 2020. Investments are reported at fair value based on the fair value per share of the underlying portfolio. Of the total investments Day to Day Fund 5.25% was invested in U.S. Treasury Notes. 8.87% was invested in commercial paper. 25.48% was invested in repurchase agreements, 8.62% was invested in government related securities, 8.59% was invested in Corporates, .10% was invested in money market funds, .20% was invested in CMO's, 9.85% was invested in Certificates of Deposit. 17.09% was invested in Asset Backed Securities, 10.03% was invested in Municipals and 5.91% was invested in U.S. Agencies. As of September 30, 2020, the County had investments with the following issuers in the percentages of total investments and categories shown below:

Schedule of Investments at September 30, 2020

Investment	Maturities	Fair Value/ Carrying Amount
State Board of Administration Local Government		
Local Government Surplus Trust Fund Florida PRIME	48 Day Average	\$ 6,213,690
Florida Local Government Day to Day Fund	27.33 Day Average	3,245,367
Total Investments		<u>\$ 9,459,057</u>

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

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

NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2019-2020 fiscal year were levied in October 2019. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions and Adjustments	Balance
<i>Governmental Activities:</i>				
Capital assets, not being depreciated				
Land and improvements	\$ 14,857,975	\$ 505,199	\$ -	\$ 15,363,174
Construction in progress	247,771	4,134,606	-	4,382,377
Total capital assets, not being depreciated	15,105,746	4,639,805	-	19,745,551
Capital assets, being depreciated				
Improvements	9,503,199	-	-	9,503,199
Construction improvements	5,942,433	-	-	5,942,433
Infrastructure	91,261,695	38,052	-	91,299,747
Buildings	29,149,034	201,116	-	29,350,150
Equipment	19,249,458	594,601	(692,385)	19,151,674
Sheriff equipment	2,645,856	776,750	-	3,422,606
Total capital assets being depreciated	157,751,675	1,610,519	(692,385)	158,669,809
Less accumulated depreciation				
Board of County Commissioners	(89,624,206)	(5,042,219)	-	(94,666,425)
Sheriff	(2,362,229)	(139,749)	-	(2,501,978)
Total accumulated depreciation	(91,986,435)	(5,181,968)	-	(97,168,403)
Capital assets, being depreciated net	65,765,240	(3,571,449)	(692,385)	61,501,406
Governmental activities				
capital assets, net	\$ 80,870,986	\$ 1,068,356	\$ (692,385)	\$ 81,246,957
<i>Business type activities:</i>				
Equipment	\$ 151,564	\$ 8,753	\$ -	\$ 160,317
Less accumulated depreciation	(65,554)	(2,135)	-	(67,689)
Business activities				
capital assets, net	\$ 86,010	\$ 6,618	\$ -	\$ 92,628

Primary Government

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

Governmental activities:	
General Government	\$ 66,064
Public Safety	208,024
Physical Environment	123,803
Transportation	3,303,732
Economic Environment	105
Human Services	740,058
Culture/Recreation	479,439
Court-related and other	120,994
Sheriff	139,749
Total depreciation expense-governmental activities	<u>\$ 5,181,968</u>
Business-type activities	
Airport Enterprise	\$ 2,135
Total depreciation expense business-type activities	<u>\$ 2,135</u>

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2020, were:

FUND	Interfund Receivables	Interfund Payables
General	\$ 2,504,679	\$ 106,984
Airport Fund	-	83
Hospital Debt Service	-	28,170
Municipal Services Benefit Unit	-	16,633
Municipal Services Taxing Unit	146,888	30,969
Road and Bridge	781,104	370,193
Secondary Road Projects	12,260	518,810
Small County Road Assistance	-	1,002,349
Small County Sales Surtax	-	412,668
Small County Outreach Project	-	511,812
Solid Waste	134,515	4,096
Community Development Block Grant	-	351
Clerk Public Records Modernization Trust	102,669	-
Clerk Operating	-	746
Clerk Trust	1,065	102,007
Clerk State Court	-	1,927
Property Appraiser Operating	-	20,590
Sheriff Operating	-	307,275
Sheriff Individual Depository	-	1,960
Supervisor of Elections Operating	-	5,622
Tax Collector Operating	-	52,106
Tax Collector Tag	-	45,315
Tax Collector Tax	45,315	-
Tourism Tax Infrastructure	-	100,048
Tourism Tax 4th and 5th Cent	-	87,781
Total	<u>\$ 3,728,495</u>	<u>\$ 3,728,495</u>

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

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2020, consisted of the following:

Transfers from General Fund to:	
Airport Enterprise Fund	\$ 613
Airport Fund	919
Landfill Fund	307
Municipal Services Taxing Unit Fund	65,326
Road and Bridge Fund	97,074
Solid Waste Fund	20,965
Clerk Operating Fund	979,568
Property Appraiser Operating Fund	835,194
Sheriff Operating Fund	6,816,839
Sheriff 911 Coordinator	76,074
Supervisor Operating Fund	621,197
Tax Collector Operating Fund	154,205
Transfers from Road and Bridge Fund to:	
General Fund	23,668
Transfers from Secondary Road Projects Fund to:	
Road and Bridge Fund	518,810
Transfers from the Municipal Services Benefit Unit Fund to:	
Tax Collector Operating Fund	1,350
Transfers from Municipal Services Taxing Unit Fund to:	
General Fund	21,678
Solid Waste Fund	7,980
Tax Collector Operating Fund	23,446
Transfers from Small County Sales Surtax Fund to:	
Road and Bridge Fund	176,257
Municipal Services Taxing Unit Fund	109,876
Solid Waste Fund	126,535
Transfers from Sheriff Operating Fund to:	
Sheriff Drug Task Force Grant	6,000
Transfers from Solid Waste Fund to :	
Tax Collector Operating Fund	91,240
Transfer from Supervisor of Elections Operating to:	
General Fund	5,622
Transfer from Tourist Development 4th and 5th Cent to:	
General Fund	87,781
Transfers from Tourist Tax Infrastructure to:	
General Fund	100,048
Total transfers	<u>\$ 10,968,572</u>

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

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

Receivables

Receivables at September 30, 2020, were as follows:

	Accounts Receivable	Due from Other Governments	Total Receivables
Governmental Activities:			
General	\$ 27,527	\$ 544,351	\$ 571,878
Road and Bridge	-	144,760	144,760
Municipal Services Taxing Unit	1,307	48,152	49,459
FRA Rail grant	7,500	-	
Solid Waste	1,562	500	2,062
Sheriff Operating		51,945	
Secondary Road Projects	-	86,665	86,665
Small County Sales Surtax	-	220,297	220,297
Other governmental	98,549	1,761,731	1,860,280
Total governmental activities	<u>\$ 136,445</u>	<u>\$ 2,858,401</u>	<u>\$ 2,935,401</u>
Business-type Activities:			
Airport Enterprise	\$ -	\$ -	\$ -
Total business-type activities	<u>\$ 136,445</u>	<u>\$ 2,858,401</u>	<u>\$ 2,994,846</u>

Payables

Payables at September 30, 2020, were as follows:

	Vendors	Accrued Wages and Benefits	Total
Governmental Activities:			
General	\$ 143,747	\$ 81,233	\$ 224,980
FRA Rail Grant	113,669	-	113,669
Municipal Services	7,970	31,763	39,733
Road and Bridge	49,161	31,256	80,417
Sheriff Operating	30	-	30
Solid Waste	37,096	13,943	51,039
Other governmental	258,604	2,663	261,267
Total governmental activities	<u>\$ 610,277</u>	<u>\$ 160,858</u>	<u>\$ 771,135</u>
Business-type Activities:			
Airport Enterprise	\$ 2,120	\$ 550	\$ 2,670
Total business-type activities	<u>\$ 2,120</u>	<u>\$ 550</u>	<u>\$ 2,670</u>

NOTE 10.CAPITAL LEASES

A. Capital Lease Dominion Voting Systems, Inc.

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

B. Capital Lease Beard Equipment Company

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

C. Capital Lease City National Capital Finance, Inc.

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

D. Capital Lease Santander Leasing, LLC.

The Board entered into a lease purchase agreement with Santander Leasing, LLC. for the purchase two Mack trucks. The lease in the amount of \$310,000 is being paid with a beginning payment of \$30,000 in November 2019 and four subsequent annual payments of \$77,452 including interest at 3.6%.

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

Year Ending September 30	Principal	Interest	Total
2021	\$ 293,074	\$ 15,419	\$ 308,493
2022	198,867	9,837	208,704
2023	129,395	5,289	134,684
2024	131,992	2,691	134,683
Total	<u>\$ 753,328</u>	<u>\$ 33,236</u>	<u>\$ 786,564</u>

Equipment purchased with these leases totaled \$2,010,712. Accumulated depreciation on the equipment at September 30, 2020 was \$630,992.

NOTE 11.LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2020, was as follows:

	Balance at 9/30/2019	Additions	Deletions	Balance at 9/30/2020	Due Within One Year
Governmental Activities:					
Capital Lease - Dominion Voting Systems	\$ 286,160	\$ -	\$ 57,232	\$ 228,928	\$ 57,232
Capital Lease - City National Capital Finance, Inc.	210,043	-	68,067	141,976	69,996
Capital Lease - Beard Equipment Company	229,023	-	130,412	98,611	98,611
Capital Lease - Santander Leasing, LLC.	-	310,000	26,187	283,813	67,235
Other liabilities:					
Compensated Absences payable	825,068	364,050	-	1,189,118	178,368
County's proportionate share of FRS pension liability	16,658,021	3,691,872	-	20,349,893	2,692,416
	<u>18,208,315</u>	<u>4,365,922</u>	<u>281,898</u>	<u>22,292,339</u>	<u>3,163,858</u>
Business-Type Activities					
County's proportionate share of FRS pension liability	27,916	-	(11,256)	16,660	2,204
	<u>\$ 18,236,231</u>	<u>\$ 4,365,922</u>	<u>\$ 270,642</u>	<u>\$ 22,308,999</u>	<u>\$ 3,166,062</u>

NOTE 12.RETIREMENT PLANS

Florida Retirement System:

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

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

www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

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

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

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2019 through June 30, 2020 and from July 1, 2019 through September 30, 2020, respectively, were as follows:

<u>Class</u>	<u>October 1, 2019 - June 30, 2020</u>	<u>July 1, 2020 - September 30, 2020</u>
Regular Class	8.47%	10.00%
Special Risk Class	25.48%	24.45%
Special Risk Administrative Support	38.59%	35.84%
County Elected Officers Class	48.82%	49.18%
Senior Management Class	25.41%	27.29%
Deferred Retirement Option Program	14.60%	16.98%

These employer contribution rates include a 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2019 through June 30, 2020 and from July 1, 2019 through September 30, 2020, respectively.

The County's contributions, to the Pension Plan totaled \$1,505,664 for the fiscal year ended September 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2020, the County reported a liability of \$17,281,020 for its proportionate share of the Pension Plan's net pension liability. 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 July 1, 2020. The County's proportionate share of the net pension liability was based on the County's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2020, the County's proportionate share was 0.039871785% percent, which was a decrease of - 0.0003219% percent from its proportionate share measured as of June 30, 2019.

For the fiscal year ended September 30, 2020, the County recognized pension expense of \$3,661,869. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 661,380	\$ -
Changes in assumptions	3,128,414	-
Net difference between projected and actual earnings on Pension Plan investments	1,028,929	-
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	245,056	(413,730)
County Pension Plan contributions subsequent to the measurement date	<u>361,989</u>	<u>-</u>
Total	<u>\$ 5,425,768</u>	<u>\$ (413,730)</u>

The deferred outflows of resources related to the Pension Plan, totaling \$361,989 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending	
September 30	
2021	\$ 958,263
2022	1,492,437
2023	1,268,566
2024	758,354
2025	172,429
Thereafter	-
	<u>\$ 4,650,049</u>

Actuarial Assumptions – The total pension liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40 %
Salary increases	3.25%, average, including inflation
Discount rate	6.80%
Investment rate of return	7.00%

Mortality rates were based on Pub-2010 base table generational mortality using gender specific MP-2018 mortality improvement projection scale.

The actuarial assumptions used in the July 1, 2020, valuations were based on the results of an actuarial experience study, completed in 2019 for the period July 1, 2013 through June 30, 2018.

The following change in actuarial assumptions occurred in 2020:

The long-term expected rate of return was increased from 6.90% to 7.00%.

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

Asset Class	Target Allocation*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Annual Standard Deviation
Cash Equivalents	1.0%	2.2%	2.2%	1.2%
Fixed Income	19.0%	3.0%	2.9%	3.5%
Global equity	54.2%	8.0%	6.7%	17.1%
Real estate	10.3%	6.4%	5.8%	11.7%
Private equity	11.1%	10.8%	8.1%	25.7%
Strategic investments	4.4%	5.5%	5.3%	6.9%
	<u>100.0%</u>			

Assumed inflation-mean	2.4%	1.7%
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Discount Rate - The discount rate used to measure the total pension liability was 6.80%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
County's proportionate share of the net pension liability	\$ 27,594,884	\$ 17,281,020	\$ 8,666,835

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

Payables to the Pension Plan - At September 30, 2020, the County reported a payable in the amount of \$39,370 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2020.

HIS Plan

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

Benefits Provided – For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2020, the HIS contribution for the period October 1, 2019 through June 30, 2020 and from July 1, 2019 through September 30, 2020 was 1.66% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled. The County's contributions to the HIS Plan totaled \$165,509 for the fiscal year ended September 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2020, the County reported a liability of \$3,085,533 for its proportionate share of the HIS Plan's net pension liability. 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 July 1, 2019. The County's proportionate share of the net pension liability was based on the County's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2020, the County's proportionate share was 0.025270878% percent, which was a decrease of - 0.000145018% percent from its proportionate share measured as of June 30, 2019. For the fiscal year ended September 30, 2020, the County recognized pension expense of \$252,084. In addition the County reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 126,217	\$ (2,380)
Changes in assumptions	331,783	(179,412)
Net difference between projected and actual earnings on HIS Plan investments	2,464	-
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	90,505	(133,649)
County HIS Plan contributions subsequent to the measurement date	38,659	-
Total	\$ 589,628	\$ (315,441)

The deferred outflows of resources related to the HIS Plan, totaling \$38,659 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	
2021	\$ 65,184
2022	48,352
2023	13,212
2024	30,680
2025	41,776
Thereafter	36,324
	\$ 235,528

Actuarial Assumptions – The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 %
Real growth rate	.85%
Salary increases	3.25%, average, including inflation
Discount rate	Bond Buyer Generational Obligation 20-Bond Municipal Bond Index / 2.21%

Mortality rates were based on Pub-2010 base table generational mortality using the gender specific MP-2018 mortality improvement projection scale.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an experience study completed in 2019, for the period July 1, 2013 through June 30, 2018.

The following changes to assumptions occurred in the 2020 fiscal year:

The municipal bonds rate used to determine total pension liability was decreased from 3.50% to 2.21% and the mortality assumption was changed from the Generational RP-2000 with Projection Scale BB tables to the PUB-2010 base table, projected generationally with the Scale MP-2018.

Discount Rate - The discount rate used to measure the total pension liability was 2.21%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 2.21%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
County's proportionate share of the net pension liability	\$ 3,566,739	\$ 3,085,533	\$ 2,691,668

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

Payables to the Pension Plan - At September 30, 2020, the County reported a payable in the amount of \$4,328 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2020.

Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2019-20 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 11.34%. Each of these member classes pay 3% of the contribution.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2020, the information for the amount

of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income. The County's had no pension expense for the Investment Plan for the fiscal year ended September 30, 2020.

NOTE 13.FUND BALANCES GOVERNMENTAL FUNDS

As of September 30, 2020, fund balances of the governmental funds are classified as follows:

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

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

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

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

Unassigned – all other spendable amounts.

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

The following schedule shows the restricted and assigned fund balances at September 30, 2020.

	Restricted	Assigned
General Fund:		
State Aid to Libraries Reserve	\$ 48,952	\$ -
Mosquito Control Reserve	619	-
Emergency 911 Reserve	41,498	-
Sheriff's Designated Reserves	94,269	-
Traffic Surcharge Reserve	6,514	-
Court Related Reserves	-	247,444
911 Wireless Supplemental	190,682	-
911 Wireless /State	59,677	-
Sports Complex Donations Reserve	-	8,469
Sports Complex	-	35,319
Boat Ramp Reserve	-	292,904
Jail Maintenance Fund	-	127,691
Steinhatchee Donation Reserve	-	1,661
Traffic and SHIP Education	61,935	-
Total	\$ 504,146	\$ 713,488
Special Revenue Funds:		
Solid Waste Fund	\$ -	\$ 327,143
Municipal Services Taxing Unit	-	1,536,761
Road and Bridge Fund - Transportation	562,052	-
Small County Sales Surtax	-	3,386,957
Total	\$ 562,052	\$ 5,250,861
Capital Projects Funds:		
Secondary Road projects	\$ 3,240,698	\$ -
Other Governmental Funds:		
	\$ 3,323,739	\$ 1,030,062
Total	\$ 7,630,635	\$ 6,994,411

NOTE 14. CONTINGENT LIABILITIES

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

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

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

restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall , all of which are uncertain.

NOTE 15. USE OF ESTIMATES

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

NOTE 16. RISK MANAGEMENT

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

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

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

NOTE 17. CONSTRUCTION COMMITMENTS

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

NOTE 18. JOINT VENTURES - AUCILLA AREA SOLID WASTE ADMINISTRATION

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

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

The shares for the counties were based on their respective population and solid waste management use. The governing board for this entity is made up of one representative from each County. Each County Commission appoints one of its members as its

representative to the Board of Aucilla Area Solid Waste Administration. The Board is responsible for oversight and administration of this entity. The joint venture started solid waste disposal operations in December 1992.

The County's share in Aucilla Area Solid Waste Administration's assets, liabilities and equity as of September 30, 2020, is as follows:

Assets	\$ 8,064,557
Deferred Outflows of Resources	35,676
Liabilities	(2,262,989)
Deferred Inflows of Resources	(2,861)
Net Position	<u>\$ 5,834,383</u>

During the fiscal year, the County paid dumping fees of \$ 366,844 to Aucilla Area Solid Waste Administration and as of September 30, 2020, owed the landfill \$ 32,910. Financial information including separately issued financial statements concerning this joint venture can be obtained from the Aucilla Area Solid Waste Administration.

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

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

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

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

NOTE 20. FUND BALANCE DEFICIT

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

Fund	Deficit
Community Development Block Grant	\$ (351)
Small County Road Assistance	(61,040)
Clerk State Court	(1,927)

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

NOTE 21. LEASES

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

Fiscal Years Ending	
2021	\$ 15,251
2022	14,192
2023	10,965
2024	9,894
2025	2,994
	<u>\$ 53,296</u>

Lease expense under these leases was \$13,495 for the fiscal year ended September 30, 2020

NOTE 22. STATE LOCAL HOUSING ASSISTANCE PROGRAM

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

TAYLOR COUNTY, FLORIDA COMBINING STATEMENT OF SHIP FUNDS BY PROGRAM YEAR For the Fiscal Year Ended September 30, 2020

	SHIP Program Year Ended										
	2009	2012	2013	2014	2015	2017	2018	2019	2020	CARES	Total
REVENUES											
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ 175,200	\$ 525,200
Interest	-	-	-	-	-	-	-	-	193	-	193
Total revenues	-	-	-	-	-	-	-	-	350,193	175,200	525,393
EXPENDITURES											
Current Expenditures											
Economic environment	-	-	-	-	-	23,352	7,000	58,027	221,557	58,936	368,872
Total expenditures	-	-	-	-	-	23,352	7,000	58,027	221,557	58,936	368,872
Excess of revenues over (under) expenditures	-	-	-	-	-	(23,352)	(7,000)	(58,027)	128,636	116,264	156,521
OTHER FINANCING SOURCES (USES)											
Interfund transfers in	-	-	-	-	-	-	-	-	-	-	-
Interfund transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	(23,352)	(7,000)	(58,027)	128,636	116,264	156,521
Fund balances beginning of year	17	23	38	29	17	(88,174)	7,777	78,934	-	-	(1,340)
Fund balances end of year	\$ 17	\$ 23	\$ 38	\$ 29	\$ 17	\$ (111,526)	\$ 777	\$ 20,907	\$ 128,636	\$ 116,264	\$ 155,181

REQUIRED SUPPLEMENTARY INFORMATION

**TAYLOR COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 10,914,691	\$ 10,914,691	\$ 10,675,391	\$ (239,300)
Intergovernmental	5,578,943	5,728,066	4,183,155	(1,544,911)
Charges for services	283,590	283,590	287,703	4,113
Fines and forfeitures	11,000	11,000	11,898	898
Miscellaneous	175,818	189,018	138,165	(50,853)
Special assessments	-	-	157,060	157,060
Interest	75,000	75,000	66,112	(8,888)
Total revenues	<u>17,039,042</u>	<u>17,201,365</u>	<u>15,519,484</u>	<u>(1,681,881)</u>
EXPENDITURES				
Current expenditures				
General government	2,148,194	2,113,916	1,934,243	179,673
Public safety	1,084,547	1,694,996	914,497	780,499
Physical environment	541,688	618,365	300,657	317,708
Transportation	147,786	159,536	-	159,536
Economic environment	131,570	153,336	461,758	(308,422)
Human services	651,000	657,283	585,159	72,124
Culture / recreation	804,794	873,443	633,531	239,912
Court-related	276,446	272,071	162,636	109,435
Capital outlay				
General government	110,861	114,761	27,385	87,376
Public safety	1,436,206	1,434,093	116,376	1,317,717
Physical environment	5,500	25,500	-	25,500
Economic environment	10,000	-	570	(570)
Human services	-	10,000	57,874	(47,874)
Culture / recreation	642,753	737,393	204,001	533,392
Court related	-	-	3,980	(3,980)
Debt service				
Principal	-	57,232	57,232	-
Total expenditures	<u>7,991,345</u>	<u>8,921,925</u>	<u>5,459,899</u>	<u>3,462,026</u>
Excess of revenues over expenditures	<u>9,047,697</u>	<u>8,279,440</u>	<u>10,059,585</u>	<u>1,780,145</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	301,147	208,444	233,175	24,731
Interfund transfers out	(9,635,197)	(9,926,189)	(9,668,281)	257,908
Total other financing sources (uses)	<u>(9,334,050)</u>	<u>(9,717,745)</u>	<u>(9,435,106)</u>	<u>282,639</u>
Net change in fund balance	<u>(286,353)</u>	<u>(1,438,305)</u>	<u>624,479</u>	<u>2,062,784</u>
Fund balance at beginning of year	10,561,419	10,561,419	10,561,419	-
Fund balance at end of year	<u>\$ 10,275,066</u>	<u>\$ 9,123,114</u>	<u>\$ 11,185,898</u>	<u>\$ 2,062,784</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 819,500	\$ 819,500	\$ 791,928	\$ (27,572)
Licenses and permits	200	200	135	(65)
Intergovernmental	830,000	830,000	761,608	(68,392)
Miscellaneous	10,000	10,000	39,311	29,311
Interest	2,000	2,000	2,670	670
Total revenues	1,661,700	1,661,700	1,595,652	(66,048)
EXPENDITURES				
Current expenditures				
General government	-	-	22	(22)
Physical Environment	46,804	71,342	41,590	29,752
Transportation	2,254,407	2,298,019	2,189,490	108,529
Capital outlay				
Transportation	342,880	342,880	321,722	21,158
Debt service				
Principal	174,000	174,000	156,599	17,401
Interest	-	-	7,936	(7,936)
Total expenditures	2,818,091	2,886,241	2,717,359	168,882
Excess of revenues over expenditures	(1,156,391)	(1,224,541)	(1,121,707)	102,834
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	-	-	310,000	310,000
Interfund transfers in	1,203,098	1,247,170	792,142	(455,028)
Interfund transfers out	(22,629)	(22,629)	(23,668)	(1,039)
Total other financing sources (uses)	1,180,469	1,224,541	1,078,474	(146,067)
Net change in fund balance	24,078	-	(43,233)	(43,233)
Fund balance at beginning of year	838,731	838,731	838,731	-
Fund balance at end of year	\$ 862,809	\$ 838,731	\$ 795,498	\$ (43,233)

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
MUNICIPAL SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes	\$ 1,524,759	\$ 1,524,739	\$ 1,482,663	\$ (42,076)
Licenses and permits	172,300	172,300	200,907	28,607
Intergovernmental	117,958	128,985	196,271	67,286
Charges for services	3,650	3,650	1,965	(1,685)
Miscellaneous	2,000	20,950	19,711	(1,239)
Interest	10,000	10,000	7,086	(2,914)
Total revenues	<u>1,830,667</u>	<u>1,860,624</u>	<u>1,908,603</u>	<u>47,979</u>
EXPENDITURES				
Current expenditures				
General government	85,856	88,198	207,093	(118,895)
Public safety	1,819,743	1,866,164	1,354,529	511,635
Human services	-	-	186,732	(186,732)
Capital outlay				
General government	1,500	-	-	-
Public safety	42,500	182,505	101,341	81,164
Debt service				
Principal	74,020	-	68,067	(68,067)
Interest	-	-	5,953	(5,953)
Total expenditures	<u>2,023,619</u>	<u>2,136,867</u>	<u>1,923,715</u>	<u>213,152</u>
Excess of revenues over expenditures	<u>(192,952)</u>	<u>(276,243)</u>	<u>(15,112)</u>	<u>261,131</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	153,020	181,334	175,202	(6,132)
Interfund transfers out	-	(46,200)	(53,104)	(6,904)
Total other financing sources (uses)	<u>153,020</u>	<u>135,134</u>	<u>122,098</u>	<u>(13,036)</u>
Net change in fund balance	<u>(39,932)</u>	<u>(141,109)</u>	<u>106,986</u>	<u>248,095</u>
Fund balance at beginning of year	<u>1,429,775</u>	<u>1,429,775</u>	<u>1,429,775</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,389,843</u>	<u>\$ 1,288,666</u>	<u>\$ 1,536,761</u>	<u>\$ 248,095</u>

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

FRA RAIL GRANT FUND

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

For the Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 17,343,027	\$ 17,343,027	\$ 5,124,436	\$ (12,218,591)
Total revenues	17,343,027	17,343,027	5,124,436	(12,218,591)
EXPENDITURES				
Current expenditures				
Economic environment	17,343,027	17,343,027	5,124,436	12,218,591
Total expenditures	17,343,027	17,343,027	5,124,436	12,218,591
Excess of revenues over expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

SMALL COUNTY SALES SURTAX FUND

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

For the Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 1,883,000	\$ 1,883,000	\$ 1,937,699	\$ 54,699
Interest	-	-	681	681
Total revenues	<u>1,883,000</u>	<u>1,883,000</u>	<u>1,938,380</u>	<u>55,380</u>
EXPENDITURES				
Current expenditures				
Public safety	<u>871,715</u>	<u>871,715</u>	<u>712,246</u>	<u>159,469</u>
Total expenditures	<u>871,715</u>	<u>871,715</u>	<u>712,246</u>	<u>159,469</u>
Excess of revenues over expenditures	<u>1,011,285</u>	<u>1,011,285</u>	<u>1,226,134</u>	<u>214,849</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers out	<u>(801,400)</u>	<u>(801,400)</u>	<u>(412,668)</u>	<u>388,732</u>
Total other financing sources (uses)	<u>(801,400)</u>	<u>(801,400)</u>	<u>(412,668)</u>	<u>388,732</u>
Net change in fund balance	<u>209,885</u>	<u>209,885</u>	<u>813,466</u>	<u>603,581</u>
Fund balance at beginning of year	<u>2,573,491</u>	<u>2,573,491</u>	<u>2,573,491</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2,783,376</u></u>	<u><u>\$ 2,783,376</u></u>	<u><u>\$ 3,386,957</u></u>	<u><u>\$ 603,581</u></u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
SOLID WASTE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 17,000	\$ 17,000	\$ 15,031	\$ (1,969)
Intergovernmental	25,758	25,758	12,010	(13,748)
Miscellaneous	164,711	164,711	165,122	411
Special assessments	1,091,141	1,091,141	1,049,191	(41,950)
Interest	1,200	1,200	1,084	(116)
Total revenues	<u>1,299,810</u>	<u>1,299,810</u>	<u>1,242,438</u>	<u>(57,372)</u>
EXPENDITURES				
Current expenditures				
Physical environment	1,224,304	1,310,269	1,202,254	108,015
Capital outly				
Physical environment	<u>166,500</u>	<u>166,500</u>	<u>110,726</u>	<u>55,774</u>
Total expenditures	<u>1,390,804</u>	<u>1,476,769</u>	<u>1,312,980</u>	<u>163,789</u>
Excess of revenues over expenditures	<u>(90,994)</u>	<u>(176,959)</u>	<u>(70,542)</u>	<u>106,417</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	174,700	195,665	155,480	(40,185)
Interfund transfers out	<u>-</u>	<u>-</u>	<u>(91,240)</u>	<u>(91,240)</u>
Total other financing sources (uses)	<u>174,700</u>	<u>195,665</u>	<u>64,240</u>	<u>(131,425)</u>
Net change in fund balance	<u>83,706</u>	<u>18,706</u>	<u>(6,302)</u>	<u>(25,008)</u>
Fund balance at beginning of year	<u>333,445</u>	<u>333,445</u>	<u>333,445</u>	<u>-</u>
Fund balance at end of year	<u>\$ 417,151</u>	<u>\$ 352,151</u>	<u>\$ 327,143</u>	<u>\$ (25,008)</u>

See notes to financial statements.

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

For the Fiscal Year Ended September 30, 2020

	Operating Fund			Variance
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,064,902	\$ 1,064,902
Charges for services	-	-	174,848	174,848
Miscellaneous	-	-	12,487	12,487
Total revenues	-	-	1,252,237	1,252,237
EXPENDITURES				
Public Safety				
Law enforcement				
Personnel services	3,777,480	3,777,480	4,225,312	(447,832)
Operating expenses	528,754	528,754	821,792	(293,038)
Capital outlay	-	-	760,637	(760,637)
Total law enforcement	4,306,234	4,306,234	5,807,741	(1,501,507)
Detention and correction				
Personnel services	2,041,294	2,041,294	1,795,255	246,039
Operating expenses	516,526	516,526	473,784	42,742
Total detention and correction	2,557,820	2,557,820	2,269,039	288,781
Total expenditures	6,864,054	6,864,054	8,076,780	(1,212,726)
Excess of revenues over (under) expenditures	(6,864,054)	(6,864,054)	(6,824,543)	39,511
OTHER FINANCING SOURCES				
Transfers from other funds	6,840,054	6,840,054	6,830,543	(9,511)
Transfers to other funds	-	-	(6,000)	(6,000)
Total other financing sources	6,840,054	6,840,054	6,824,543	(15,511)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements

**TAYLOR COUNTY, FLORIDA
TAX COLLECTOR
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Operating Fund			Variance
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Charges for services	\$ 794,581	\$ 794,581	831,464	\$ 36,883
Total revenues	794,581	794,581	831,464	36,883
EXPENDITURES				
General government				
Current expenditures	1,098,565	1,098,565	1,101,704	(3,139)
Total expenditures	1,098,565	1,098,565	1,101,704	(3,139)
Excess of revenues over (under) expenditures	(303,984)	(303,984)	(270,240)	33,744
OTHER FINANCING SOURCES (USES)				
Transfers from Board of County Commissioners	303,984	303,984	270,240	(33,744)
Transfers to the Board of County Commissioners	-	-	-	-
Total other financing sources (uses)	303,984	303,984	270,240	(33,744)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements

**TAYLOR COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014
County's proportionate share of the net pension liability							
Retirement	0.03987%	0.0402%	0.0403%	0.0419%	0.0425%	0.0397%	.0387%
Health insurance subsidy	0.02527%	0.0254%	0.0262%	0.0528%	0.0261%	0.0254%	.0248%
County's proportionate share of the net pension liability							
Retirement	\$ 17,281,019	\$ 13,842,152	\$ 12,139,745	\$ 12,379,213	\$ 10,720,397	\$ 5,131,091	\$ 2,322,814
Health insurance subsidy	3,085,533	2,843,784	2,775,161	2,823,688	3,043,175	2,585,580	2,320,521
Total	<u>\$ 20,366,552</u>	<u>\$ 16,685,936</u>	<u>\$ 14,914,906</u>	<u>\$ 15,202,901</u>	<u>\$ 13,763,572</u>	<u>\$ 7,716,671</u>	<u>\$ 4,643,335</u>
County's covered payroll	\$ 9,530,409	\$ 9,440,679	\$ 8,776,479	\$ 8,694,243	\$ 8,413,619	\$ 8,093,506	\$ 7,749,485
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	213.70%	176.75%	169.94%	174.86%	163.59%	95.34%	59.92%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

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

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

	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions							
Pension plan	\$ 1,505,664	\$ 1,446,571	\$ 1,289,477	\$ 1,202,635	\$ 1,165,852	\$ 1,093,298	\$ 979,174
Health insurance subsidy	165,510	163,811	159,628	154,275	133,838	177,844	99,829
	<u>\$ 1,671,174</u>	<u>\$ 1,610,382</u>	<u>\$ 1,449,105</u>	<u>\$ 1,356,910</u>	<u>\$ 1,299,690</u>	<u>\$ 1,271,142</u>	<u>\$ 1,079,003</u>
Contributions in relation to the contractually required contributions	\$ 1,671,174	\$ 1,610,382	\$ 1,449,105	\$ 1,356,910	\$ 1,299,690	\$ 1,271,142	\$ 1,079,003
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 9,530,409	\$ 9,440,679	\$ 8,776,479	\$ 8,694,243	\$ 8,413,619	\$ 8,093,506	\$ 7,749,584
Contributions as a percentage of covered employee payroll	17.54%	17.06%	16.51%	15.61%	15.45%	15.71%	13.92%

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

TAYLOR COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended September 30, 2020

A. Budgetary Information:

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental and enterprise funds. All annual appropriations lapse at fiscal year end. The County generally follows these procedures in establishing the budgetary data for the governmental and enterprise funds as reflected in the financial statements:

1. Prior to September 30, the Clerk of the Circuit Court, serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing the following October. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in chapter 129 of Florida Statutes.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.
6. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund, or appropriate for special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2020, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budget is adopted on the accrual basis except that depreciation is not budgeted.
9. Legal control of the budget is exercised pursuant to applicable provisions of Florida Statutes.
10. Appropriations for the County lapse at the close of the fiscal year.

B. Pension Plan:

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2020, are shown below:

TAYLOR COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended September 30, 2020

	FRS	HIS
Total Pension Liability	\$ 204,909,739,000	\$ 12,588,098,255
Plan fiduciary net position	(161,568,265,280)	(378,261,130)
Net Pension Liability	<u>\$ 43,341,473,720</u>	<u>\$ 12,209,837,125</u>

**Plan Fiduciary Net Position as a Percentage
of the Total Pension Liability**

78.85%

3.00%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' GASB 67 valuation as of June 30, 2020. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The total pension liability for the HIS was determined by the plan's actuary and reported in the plan's GASB 67 valuation as of June 30, 2020. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2013 through June 30, 2020, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years June 30, 2015 through June 30, 2020, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

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

Actuarial Methods and Assumptions

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section

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

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.40%. 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 the FRS Pension Plan is 6.80%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.21% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the PUB-2010 base table (refer to the valuation reports for more information – See Note 5).

The following changes in actuarial assumptions occurred in 2020:

- FRS: The long-term expected rate of return decreased from 6.90% to 6.80%.
- HIS: The municipal bonds rate used to determine total pension liability was decreased from 3.50% to 2.21% and the mortality assumption was changed from the Generational RP-2000 with Projection Scale BB tables to the PUB-2010 base table, projected generationally with the Scale MP-2018.

SENSITIVITY ANALYSIS

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis show the impact to the collective net pension liability of the participating employers if the discount rate was 1.00% higher or 1.00% lower than the current discount rate at June 30, 2020.

FRS NET PENSION LIABILITY		
1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
\$ 69,209,049,720	\$ 43,341,473,720	\$ 21,736,761,720

HIS NET PENSION LIABILITY		
1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
\$ 14,114,026,804	\$ 12,209,837,125	\$ 10,651,263,443

PENSION EXPENSE AND DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as

deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes in proportion and differences between contributions and proportionate share of contributions - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments – amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense; however, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2020, was 5.9 years for FRS and 7.2 years for HIS.

Description	FRS		
	Recognized in Expense Reporting Period Ended 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Service Cost	\$ 2,647,456,150	\$ -	\$ -
Interest Cost	13,458,929,163	-	-
Effect of plan changes	-	-	-
Effect of economic, demographic, gains of losses (difference between expected and actual experience)	811,159,886	1,658,766,387	-
Effects of assumptions changes or inputs	2,737,269,546	7,846,185,717	-
Member contributions	(748,454,881)	-	-
Projected investment earnings	(11,037,431,666)	-	-
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	-	892,131,070	(892,131,070)
Net difference between projected and actual investment earnings	1,211,606,824	2,580,593,016	-
Administrative expenses	21,556,013	-	-
Total	<u>\$ 9,102,091,035</u>	<u>\$ 12,977,676,190</u>	<u>\$ (892,131,070)</u>

Description	HIS		
	Recognized in Expense Reporting Period Ended 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Service Cost	\$ 265,520,709	\$ -	\$ -
Interest Cost	402,708,732	-	-
Effect of plan changes	-	-	-
Effect of economic, demographic, gains of losses (difference between expected and actual experience)	84,706,748	499,456,349	(919,144)
Effects of assumptions changes or inputs	259,964,521	1,312,905,199	(709,954,388)
Member contributions	(369,509)	-	-
Projected investment earnings	(11,801,655)	-	-
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	-	443,910,392	(443,910,392)
Net difference between projected and actual investment earnings	3,957,861	9,748,431	-
Administrative expenses	172,361	-	-
Total	<u>\$ 1,004,859,768</u>	<u>\$ 2,266,020,371</u>	<u>\$ (1,154,783,924)</u>

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

FRS	HIS
\$ 2,490,538,359	\$ 305,189,471
3,878,865,781	226,383,138
3,297,020,851	61,859,685
1,970,973,468	143,643,293
448,146,661	195,596,196
-	170,064,664
<u>\$12,085,545,120</u>	<u>\$ 1,102,736,447</u>

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

COMBINING STATEMENTS

TAYLOR COUNTY, FLORIDA

SECONDARY ROAD PROJECTS FUND

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

For the Fiscal Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ 926,676	\$ (73,324)
Interest	-	-	26,135	26,135
Total revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>952,811</u>	<u>(47,189)</u>
EXPENDITURES				
Transportation				
Current expenditures	78,164	78,164	61,857	16,307
Capital outlay	<u>3,476,443</u>	<u>3,272,443</u>	<u>98,902</u>	<u>3,173,541</u>
Total expenditures	<u>3,554,607</u>	<u>3,350,607</u>	<u>160,759</u>	<u>3,189,848</u>
Excess of revenues over expenditures	<u>(2,554,607)</u>	<u>(2,350,607)</u>	<u>792,052</u>	<u>3,142,659</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	20,292	20,292	-	(20,292)
Interfund transfers out	<u>(602,580)</u>	<u>(602,580)</u>	<u>(518,810)</u>	<u>83,770</u>
Total other financing sources (uses)	<u>(582,288)</u>	<u>(582,288)</u>	<u>(518,810)</u>	<u>63,478</u>
Net change in fund balance	<u>(3,136,895)</u>	<u>(2,932,895)</u>	<u>273,242</u>	<u>3,206,137</u>
Fund balance at beginning of year	<u>2,967,456</u>	<u>2,967,456</u>	<u>2,967,456</u>	<u>-</u>
Fund balance at end of year	<u>\$ (169,439)</u>	<u>\$ 34,561</u>	<u>\$ 3,240,698</u>	<u>\$ 3,206,137</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2020**

Special Revenue Funds												
Clerk of the Circuit Court							Property Appraiser	Sheriff				
Clerk Operating	Clerk Court	Clerk CSE Incentive	Clerk CSE Reimbursement	Public Records Modernization	State Court Fund	Teen Court	Operating	Drug Task Force Grant	Inmate Welfare	Emergency Management	Local Law Enforcement Block Grant	
ASSETS												
Current assets												
Cash	\$ 6,521	\$ 42,086	\$ 17,151	\$ 165,612	\$ 131,391	\$ -	\$ 47,724	\$ 20,590	\$ 1,484	\$ 11,386	\$ 12,604	\$ 3,039
Accounts receivable	-	-	-	-	-	-	-	-	-	6,056	-	-
Due from other funds	-	-	-	-	102,669	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	35,963	-
Investments	-	-	-	403,706	-	-	-	-	-	-	-	-
Total assets	<u>\$ 6,521</u>	<u>\$ 42,086</u>	<u>\$ 17,151</u>	<u>\$ 569,318</u>	<u>\$ 234,060</u>	<u>\$ -</u>	<u>\$ 47,724</u>	<u>\$ 20,590</u>	<u>\$ 1,484</u>	<u>\$ 17,442</u>	<u>\$ 48,567</u>	<u>\$ 3,039</u>
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current liabilities												
Accounts payable	\$ 5,575	\$ -	\$ -	\$ 972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	746	-	-	-	-	1,927	-	20,590	-	-	-	-
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	-
Accrued wages	-	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	200	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>6,521</u>	<u>-</u>	<u>-</u>	<u>972</u>	<u>-</u>	<u>1,927</u>	<u>-</u>	<u>20,590</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES												
Restricted	-	-	-	-	234,060	(1,927)	47,724	-	1,484	17,442	48,567	3,039
Assigned	-	42,086	17,151	568,346	-	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>42,086</u>	<u>17,151</u>	<u>568,346</u>	<u>234,060</u>	<u>(1,927)</u>	<u>47,724</u>	<u>-</u>	<u>1,484</u>	<u>17,442</u>	<u>48,567</u>	<u>3,039</u>
Total liabilities and fund balances	<u>\$ 6,521</u>	<u>\$ 42,086</u>	<u>\$ 17,151</u>	<u>\$ 569,318</u>	<u>\$ 234,060</u>	<u>\$ -</u>	<u>\$ 47,724</u>	<u>\$ 20,590</u>	<u>\$ 1,484</u>	<u>\$ 17,442</u>	<u>\$ 48,567</u>	<u>\$ 3,039</u>
See notes to financial statements.												

**TAYLOR COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2020**

	Special Revenue Funds											
	Sheriff		Supervisor of Elections	Board of County Commissioners								
	Nongrant Forfeiture	Special Law Enforcement Trust	Supervisor Operating	Community Development Block Grant	Airport	Local Housing	MSBU	Tourist Development Trust	Landfill	Florida Boating Improvement	Tourism Tax Infra- structure	Tourism Tax 4th and 5th Cent
ASSETS												
Cash	\$ -	\$ 6,672	\$ 52,590	\$ -	\$ 68,700	\$ 435,759	\$ 269,507	\$ 484,263	\$ 655,368	\$ 12,323	\$ 338,509	\$ 337,769
Accounts receivable	-	-	67	-	3,423	-	-	-	59,867	-	-	29,136
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	96,683	-	-	29,136	-	3,420	14,568	-
Investments	-	-	-	-	-	16,419	-	-	3,992	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 6,672</u>	<u>\$ 52,657</u>	<u>\$ -</u>	<u>\$ 168,806</u>	<u>\$ 452,178</u>	<u>\$ 269,507</u>	<u>\$ 513,399</u>	<u>\$ 719,227</u>	<u>\$ 15,743</u>	<u>\$ 353,077</u>	<u>\$ 366,905</u>
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current liabilities												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 17,984	\$ 41,328	\$ 228	\$ 3,852	\$ 8,479	\$ -	\$ -	\$ -
Due to other funds	-	-	5,622	351	83	-	16,633	-	-	-	100,048	87,781
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	-
Accrued wages	-	-	-	-	906	696	-	-	1,061	-	-	-
Revenues collected in advance	-	-	47,035	-	-	254,973	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>52,657</u>	<u>351</u>	<u>18,973</u>	<u>296,997</u>	<u>16,861</u>	<u>3,852</u>	<u>9,540</u>	<u>-</u>	<u>100,048</u>	<u>87,781</u>
FUND BALANCES												
Restricted	-	6,672	-	(351)	-	155,181	-	509,547	709,687	15,743	253,029	279,124
Assigned	-	-	-	-	149,833	-	252,646	-	-	-	-	-
Total fund balances	<u>-</u>	<u>6,672</u>	<u>-</u>	<u>(351)</u>	<u>149,833</u>	<u>155,181</u>	<u>252,646</u>	<u>509,547</u>	<u>709,687</u>	<u>15,743</u>	<u>253,029</u>	<u>279,124</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 6,672</u>	<u>\$ 52,657</u>	<u>\$ -</u>	<u>\$ 168,806</u>	<u>\$ 452,178</u>	<u>\$ 269,507</u>	<u>\$ 513,399</u>	<u>\$ 719,227</u>	<u>\$ 15,743</u>	<u>\$ 353,077</u>	<u>\$ 366,905</u>

**TAYLOR COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2020**

	Special Revenue Funds		Capital Projects Funds					Debt Service Fund	
	Board of County Commissioners								Total
	Hospital Sales Tax	CARES Act Grant	DOT Green Street Grant	Small County Road Assistance	Small County Courthouse	Small County Outreach	FDOT Economic Development	Hospital Debt Service	Nonmajor governmental Funds
ASSETS									
Cash	\$ 174,117	940,906	\$ 2,948	\$ -	\$ 639	\$ 242	\$ 35,354	\$ -	\$ 4,275,254
Accounts receivable	-	-	-	-	-	-	-	-	98,549
Due from other funds	-	-	-	-	-	-	-	-	102,669
Due from other governmental units	-	-	-	1,053,535	-	528,426	-	-	1,761,731
Investments	2,757	-	-	-	-	-	-	28,311	455,185
Total assets	\$ 176,874	\$ 940,906	\$ 2,948	\$ 1,053,535	\$ 639	\$ 528,668	\$ 35,354	\$ 28,311	\$ 6,693,388
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Current liabilities									
Accounts payable	\$ -	\$ 60,753	\$ -	\$ 112,226	\$ -	\$ 7,207	\$ -	\$ -	\$ 258,604
Due to other funds	-	-	-	1,002,349	-	511,812	-	28,170	1,776,112
Due to other governmental units	-	-	-	-	-	-	-	-	-
Accrued wages	-	-	-	-	-	-	-	-	2,663
Revenues collected in advance	-	-	-	-	-	-	-	-	302,008
Other current liabilities	-	-	-	-	-	-	-	-	200
Total liabilities	-	60,753	-	1,114,575	-	519,019	-	28,170	2,339,587
FUND BALANCES									
Restricted	176,874	880,153	2,948	(61,040)	639	9,649	35,354	141	3,323,739
Assigned	-	-	-	-	-	-	-	-	1,030,062
Total fund balances	176,874	880,153	2,948	(61,040)	-	9,649	35,354	141	4,353,801
Total liabilities and fund balances	\$ 176,874	\$ 940,906	\$ 2,948	\$ 1,053,535	\$ 639	\$ 528,668	\$ 35,354	\$ 28,311	\$ 6,693,388

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES
For the Fiscal Year Ended September 30, 2020**

	Special Revenue Funds											
	Clerk of the Circuit Court						Property Appraiser	Sheriff				
	Clerk of Courts Operating	Clerk Court	Clerk CSE Incentive	Clerk CSE Reimbursement	Public Records Modernization	State Court Fund	Teen Court	Operating	Drug Task Force Grant	Inmate Welfare	Emergency Management	Local Law Enforcement Block Grant
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	142,819	-	83,319	-	9,236	-	-	-	-	155,835	-
Charges for services	136,637	228,724	-	-	13,714	-	5,267	-	-	50,124	-	-
Fines and forfeitures	-	116,875	-	-	-	-	-	-	-	-	-	-
Miscellaneous	2,817	-	19	4,494	127	-	47	-	4,490	5,049	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	35	-	-	-	-
Total revenues	139,454	488,418	19	87,813	13,841	9,236	5,314	35	4,490	55,173	155,835	-
EXPENDITURES												
Current Expenditures												
General government	1,091,198	-	-	-	-	-	-	833,930	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	22,445	36,372	196,252	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court-related	-	461,119	-	129,552	397	11,163	-	-	-	-	-	-
Capital outlay												
General government	27,824	-	-	-	-	-	-	1,299	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	3,000	11,967	1,146	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court-related	-	-	-	-	1,633	-	-	-	-	-	-	-
Debt service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,119,022	461,119	-	129,552	2,030	11,163	-	835,229	25,445	48,339	197,398	-
Excess of revenues over (under) expenditures	(979,568)	27,299	19	(41,739)	11,811	(1,927)	5,314	(835,194)	(20,955)	6,834	(41,563)	-
OTHER FINANCING SOURCES (USES)												
Interfund transfers in	979,568	-	-	-	-	-	-	835,194	20,241	-	48,129	-
Interfund transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	979,568	-	-	-	-	-	-	835,194	20,241	-	48,129	-
Net change in fund balances	-	27,299	19	(41,739)	11,811	(1,927)	5,314	-	(714)	6,834	6,566	-
Fund balances beginning of year	-	14,787	17,132	610,085	222,249	-	42,410	-	2,198	10,608	42,001	3,039
Fund balances end of year	\$ -	\$ 42,086	\$ 17,151	\$ 568,346	\$ 234,060	\$ (1,927)	\$ 47,724	\$ -	\$ 1,484	\$ 17,442	\$ 48,567	\$ 3,039
See notes to financial statements.												

**TAYLOR COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES
For the Fiscal Year Ended September 30, 2020**

	Special Revenue Funds											
	Sheriff		Supervisor of Elections	Board of County Commissioners								
	Nongrant Forfeiture	Special Law Enforcement Trust	Operating	Community Development Block Grant	Airport	Local Housing	MSBU	Tourist Development Trust	Landfill	Florida Boating Improvement	Tourism Tax Infra- structure	Tourism Tax 4th and 5th Cent
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 197,573	\$ -	\$ -	\$ 98,786	\$ 197,572
Intergovernmental revenue	-	-	64,303	124,985	129,077	525,200	-	-	-	-	-	-
Charges for services	-	-	-	-	61,172	-	-	-	150,635	14,181	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	1,013	1,629	-	7,724	-	-	-	47	-	-	-
Special assessments	-	-	-	-	-	-	54,298	-	-	-	-	-
Interest	-	-	13	-	-	193	339	187	-	23	127	-
Total revenues	-	1,013	65,945	124,985	197,973	525,393	54,637	197,760	150,682	14,204	98,913	197,572
EXPENDITURES												
Current Expenditures												
General government	-	-	687,142	-	-	-	-	-	-	-	-	-
Public safety	4,315	-	-	-	-	-	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	35,516	-	-	-
Transportation	-	-	-	-	76,279	-	16,066	-	-	-	-	-
Economic environment	-	-	-	125,025	20,000	368,872	-	89,899	-	-	10,500	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	15,358	-	-
Court-related	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	15,520	-	-	-
Transportation	-	-	-	-	95,942	-	-	-	-	-	-	-
Economic environment	-	-	-	-	12,830	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court-related	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	4,315	-	687,142	125,025	205,051	368,872	16,066	89,899	51,036	15,358	10,500	-
Excess of revenues over (under) expenditures	(4,315)	1,013	(621,197)	(40)	(7,078)	156,521	38,571	107,861	99,646	(1,154)	88,413	197,572
OTHER FINANCING SOURCES (USES)												
Interfund transfers in	-	-	626,819	-	919	-	-	-	307	-	-	-
Interfund transfers out	-	-	(5,622)	-	-	-	(1,350)	-	-	-	(100,048)	(87,781)
Total other financing sources (uses)	-	-	621,197	-	919	-	(1,350)	-	307	-	(100,048)	(87,781)
Net change in fund balances	(4,315)	1,013	-	(40)	(6,159)	156,521	37,221	107,861	99,953	(1,154)	(11,635)	109,791
Fund balances beginning of year	4,315	5,659	-	(311)	155,992	(1,340)	215,425	401,686	609,734	16,897	264,664	169,333
Fund balances end of year	\$ -	\$ 6,672	\$ -	\$ (351)	\$ 149,833	\$ 155,181	\$ 252,646	\$ 509,547	\$ 709,687	\$ 15,743	\$ 253,029	\$ 279,124

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES
For the Fiscal Year Ended September 30, 2020**

	Special Revenue Funds		Capital Projects Funds					Debt Service Fund	
	Hospital Sales Tax	Cares Act Grant	DOT Green Street Grant	Small County Road Assistance	Small County Courthouse	Small County Outreach	FDOT Economic Development	Hospital Debt Service	Total Nonmajor Governmental Funds
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493,931
Intergovernmental revenue	-	940,906	496,517	1,198,555	-	2,330,704	-	-	6,201,456
Charges for services	-	-	-	-	-	-	-	-	660,454
Fines and forfeitures	-	-	-	-	-	-	-	-	116,875
Miscellaneous	-	-	-	-	-	-	-	-	27,456
Special assessments	-	-	-	-	-	-	-	-	54,298
Interest	336	-	-	-	1	-	-	-	1,254
Total revenues	336	940,906	496,517	1,198,555	1	2,330,704	-	-	7,555,724
EXPENDITURES									
Current Expenditures									
General government	-	-	-	-	-	-	-	-	2,612,270
Public safety	-	60,753	-	-	-	-	-	-	320,137
Physical environment	-	-	-	-	-	-	-	-	35,516
Transportation	-	-	-	58,461	-	27,089	-	-	177,895
Economic environment	-	-	-	-	-	-	-	-	614,296
Human services	17,496	-	-	-	-	-	-	-	17,496
Culture/recreation	-	-	-	-	-	-	-	-	15,358
Court-related	-	-	-	-	-	-	-	-	602,231
Capital outlay									
General government	-	-	-	-	-	-	-	-	29,123
Public safety	-	-	-	-	-	-	-	-	16,113
Physical environment	-	-	-	-	-	-	-	-	15,520
Transportation	-	-	493,569	1,143,124	-	2,293,971	-	-	4,026,606
Economic environment	-	-	-	-	-	-	-	-	12,830
Human services	-	-	-	-	-	-	-	-	-
Culture/recreation	283,128	-	-	-	-	-	-	-	283,128
Court-related	-	-	-	-	-	-	-	-	1,633
Debt Service									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	300,624	60,753	493,569	1,201,585	-	2,321,060	-	-	8,780,152
Excess of revenues over (under) expenditures	(300,288)	880,153	2,948	(3,030)	1	9,644	-	-	(1,224,428)
OTHER FINANCING SOURCES (USES)									
Interfund transfers in	-	-	-	-	-	-	-	-	2,511,177
Interfund transfers out	-	-	-	-	-	-	-	-	(194,801)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	2,316,376
Net change in fund balances	(300,288)	880,153	2,948	(3,030)	1	9,644	-	-	1,091,948
Fund balances beginning of year	477,162	-	-	(58,010)	638	5	35,354	141	3,261,853
Fund balances end of year	\$ 176,874	\$ 880,153	\$ 2,948	\$ (61,040)	\$ 639	\$ 9,649	\$ 35,354	\$ 141	\$ 4,353,801
See notes to financial statements.									

COMPLIANCE SECTION

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Taylor County, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Taylor County, Florida's basic financial statements, and have issued our report thereon dated May 10, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with

Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

POWELL & JONES
Certified Public Accountants
May 10, 2021

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

To the Board of County Commissioners
of Taylor County, Florida

Report on Compliance for Each Major Federal Program

We have audited the Taylor County, Florida's compliance with the types of compliance requirements described in the *OMB Uniform Guidance* that could have a direct and material effect on each of the Taylor County, Florida's major federal programs for the year ended September 30, 2020. Taylor County, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Taylor County, Florida, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

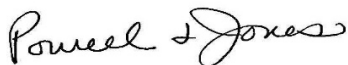
Report on Internal Control Over Compliance

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

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

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

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



POWELL & JONES
Certified Public Accountants
Lake City, Florida
May 10, 2021

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

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

Report on Compliance for Each Major State Project

We have audited the compliance of Taylor County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2020. Taylor County, Florida's major State project is identified in the summary of auditors' results section of the accompanying Schedule of Findings.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major State Project

In our opinion, Taylor County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State project for the fiscal year ended September 30, 2020.

Other Matters

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

Internal Control Over Compliance

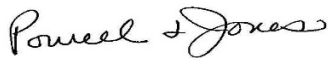
Management of Taylor County, Florida is responsible for establishing and maintaining effective internal control over the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Taylor County, Florida's internal control over compliance with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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State project will not be prevented,

or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State Project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

POWELL & JONES, CPAs
May 10, 2021

TAYLOR COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2020

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	Reserved Unearned Revenues 9/30/2020
FEDERAL AWARDS								
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION								
<i>Passed through the Florida Department of Environmental Protection</i> Florida Coastal Management Program	11.419	CM818	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ -
US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								
<i>Passed through the Florida Department of Economic Opportunity</i> Community Development Block Grant	14.228	18DB-OM-03-72-01-H 02	750,000	592,036	-	124,985	124,985	-
US FISH AND WILDLIFE SERVICE								
<i>Passed through the Florida Fish and Wildlife Conservation Commission</i> Florida Artificial Reef Program	15.605	FWC-19046	60,000	-	-	60,000	60,000	-
US DEPARTMENT OF JUSTICE								
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0586	41,132	-	-	41,132	41,132	-
<i>Passed through the Florida Department of Law Enforcement</i> Edward Byrne Memorial Justice Assistance Grant	16.738	2020 TAYL-1-Y5-102	19,286	-	-	19,286	19,286	-
Edward Byrne Memorial Justice Assistance Grant	16.738	2019-JAGD-TAYL-2-N3-088	3,036	-	-	3,036	3,036	-
			63,454	-	-	63,454	63,454	-
US DEPARTMENT OF TRANSPORTATION								
FASTLANE Grant Program	20.934	69A36519500410INFFL	8,671,514	-	-	5,067,257	5,067,257	-
<i>Passed through Florida Department of Transportation</i> Speeding and Aggressive Driving Program	20.600	G1450	27,000	21,507	-	4,576	4,576	-
Impaired Driver Program	20.616	G1499	31,000	14,495	-	11,127	11,127	-
Speeding and Aggressive Driving Program	20.600	G1D77	26,000	-	-	26,000	26,000	-
Local Agency Funding Agreement	20.205	43398625801	496,670	-	-	496,517	496,517	-
CARES Act Airport Grant	20.106	3-12-0064-016-2020	20,000	-	-	20,000	20,000	-
			9,272,184	36,002	-	5,625,477	5,625,477	-
US DEPARTMENT OF THE TREASURY								
<i>Passed through the Florida Department of Emergency Management</i> Coronavirus Relief Fund	21.019	Y2303	940,906	-	-	940,906	940,906	-
<i>Passed through Florida Housing Finance Corporation</i> Coronavirus Relief Fund	21.019		175,200	-	-	175,200	58,936	-
			1,116,106	-	-	1,116,106	999,842	-
US ELECTIONS ASSISTANCE COMMISSION								
<i>Passed through Florida Department of State</i> Cradlepoint Grant		MOA-#2019-2020-001-TAY	3,000	-	-	1,897	1,897	-
Election Security Improvement Grant	90.404	MOA-#2019-2020-001-TAY	35,018	-	-	28,659	28,659	-
CARES Act	90.401, .404	MOA-#2020.001-TAY	65,030	-	-	33,747	33,747	-
Voting Systems Assistance Grant 18-19	90.401	2018-2019	15,488	-	-	15,488	15,488	-
			118,536	-	-	79,791	79,791	-
FEDERAL OFFICE OF CHILD SUPPORT ENFORCEMENT								
<i>Passed through the Florida Department of Revenue</i> Title IV-D Child Support Enforcement	93.563	COC62	83,319	-	-	83,319	83,319	-

(CONTINUED)

TAYLOR COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2020

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	Reserved Unearned Revenues 9/30/2020
FEDERAL DEPARTMENT OF HOMELAND SECURITY								
<i>passed through Florida Division of Emergency Management</i>								
Emergency Management Preparedness and Assistance Grant	97.042	G0055	\$ 55,363	\$ -	\$ -	\$ 34,844	\$ 34,844	\$ -
Emergency Management Preparedness and Assistance Grant	97.042	60191	55,565	-	-	16,055	16,055	-
			<u>110,928</u>	<u>-</u>	<u>-</u>	<u>50,899</u>	<u>50,899</u>	<u>-</u>
FEDERAL DEPARTMENT OF EMERGENCY MANAGEMENT								
<i>passed through Florida Division of Emergency Management</i>								
FEMA Hurricane Michael	97.036	Z0929	20,023	-	-	20,023	20,023	-
FEMA Hurricane Michael	97.042	G0055	78,334	-	-	78,334	78,334	-
FEMA Hurricane Irma	97.042	60191	8,049	-	-	8,049	8,049	-
FEDERAL EMERGENCY MANAGEMENT AGENCY								
SAFER Grant	97.083	EMW-2017-FH-00114	128,583	22,061	-	50,905	50,905	-
			<u>234,989</u>	<u>-</u>	<u>-</u>	<u>157,311</u>	<u>157,311</u>	<u>-</u>
Total federal awards			<u>\$ 11,839,516</u>	<u>\$ 628,038</u>	<u>\$ -</u>	<u>\$ 7,391,342</u>	<u>\$ 7,275,078</u>	<u>\$ -</u>
STATE FINANCIAL ASSISTANCE								
Florida Division of Emergency Management								
Emergency Management Performance Grant	31.063	A0147	\$ 105,806	\$ -	\$ -	\$ 19,908	\$ 19,908	\$ -
Emergency Management Performance Grant	31.063	A0066	105,806	-	-	85,028	85,028	-
			<u>211,612</u>	<u>-</u>	<u>-</u>	<u>104,936</u>	<u>104,936</u>	<u>-</u>
Florida Department of Environmental Protection								
Small County Solid Waste Grant Agreement	37.012	SC029	90,909	-	-	90,909	90,909	-
			<u>90,909</u>	<u>-</u>	<u>-</u>	<u>90,909</u>	<u>90,909</u>	<u>-</u>
Florida Housing Finance Corporation								
<i>State Housing Initiatives Program</i>								
SHIP Funds 2019-2020	40.901	N/A	350,000	-	-	350,000	221,557	78,562
			<u>350,000</u>	<u>-</u>	<u>-</u>	<u>350,000</u>	<u>221,557</u>	<u>78,562</u>
Florida Department of Agriculture and Consumer Services								
Arthropod Mosquito Control State Aid	42.003	FDACS-025671	34,481	-	-	34,481	34,481	-
Florida Department of Financial Services								
Volunteer Firefighter Grant Assistance Program	43.006	FM532	33,638	-	-	33,638	33,638	-
Volunteer Firefighter Grant Assistance Program	43.006		32,347	-	-	32,347	32,347	-
			<u>65,985</u>	<u>-</u>	<u>-</u>	<u>65,985</u>	<u>65,985</u>	<u>-</u>
Florida Department of State								
State Aid to Libraries	45.030	20-ST-87	75,923	-	-	75,923	75,923	-
			<u>75,923</u>	<u>-</u>	<u>-</u>	<u>75,923</u>	<u>75,923</u>	<u>-</u>
Florida Department of Education								
Coach Aaron Feis Guardian Program	48.140	97C-90210-9D001	15,034	-	-	15,034	15,034	-
Coach Aaron Feis Guardian Program	48.140	97C-90210-0D001	68,165	-	-	64,991	64,991	-
			<u>83,199</u>	<u>-</u>	<u>-</u>	<u>80,025</u>	<u>80,025</u>	<u>-</u>
(Continued)								

TAYLOR COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2020

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	Reserved Unearned Revenues 9/30/2020
Florida Department of Transportation								
Commission for the Transportation Disadvantaged								
Transportation Disadvantaged Grant	55.002	G1887	\$ 19,872	\$ 5,365	\$ -	\$ 14,507	\$ 14,507	\$ -
Transportation Disadvantaged Grant	55.002	G1N87	19,872	-	-	3,776	3,776	-
			39,744	5,365	-	18,283	18,283	-
Aviation Grant Program								
Removal of Obstacles	55.004	442524-1-94-18	117,354	-	-	13,135	13,135	-
Design/Construct Taxiways	55.004	443552-1-94-01	358,892	227,628	-	95,942	95,942	-
			476,246	227,628	-	109,077	109,077	-
Small County Outreach Program								
East Ellison Road	55.009	ARC92	254,856	258	-	54	54	-
San Pedro Road	55.009	G0676	2,574,182	99,267	-	2,205,597	2,205,597	-
Slaughter Road	55.009	G0W46	1,150,000	-	-	37,119	37,119	-
Gas Plant Road	55.009	G0W47	700,000	-	-	79,190	79,190	-
CR 361 Drainage Improvements	55.009	G0I71	20,000	-	-	8,744	8,744	-
			4,699,038	99,525	-	2,330,704	2,330,704	-
Florida Department of Transportation								
Small County Road Assistance Program								
East Ellison Road	55.016	AQX74	163,919	166	-	35	35	-
North Ellison Road	55.016	ARB12	239,068	246	-	56	56	-
Foley Cut-Off Road	55.016	ARM53	816,052	105,562	-	229,738	229,738	-
Houck Road	55.016	G0J93	984,438	103,365	-	695,602	695,602	-
Pinecrest Road	50.016	G0828	300,000	50,375	-	214,813	214,813	-
Slaughter Road	50.016	GIE43	1,300,000	-	-	41,961	41,961	-
Cedar Island Road	50.016	GIE45	550,000	-	-	16,350	16,350	-
			4,353,477	259,714	-	1,198,555	1,198,555	-
			9,568,505	592,232	-	3,656,619	3,656,619	-
Wireless 911 Board-911 Wireless State Funds								
Rural County Maintenance Grant-Fall	72.001	19-10-22	10,388	-	-	10,388	10,388	-
Rural County Maintenance Grant-Spring	72.001	20-04-29	48,735	-	-	48,735	48,735	-
			59,123	-	-	59,123	59,123	-
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION								
Florida Boating Improvement Program	77.006	FWC -19035	333,480	-	-	106,174	106,174	-
Florida Artificial Reef Program	77.007	FWC-19049	10,000	-	-	1,500	1,500	-
			343,480	-	-	107,674	107,674	-
Total state financial assistance			\$ 10,883,217	\$ 592,232	\$ -	\$ 4,625,675	\$ 4,497,232	\$ 78,562

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

TAYLOR COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Reporting Entity

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

C. Basis of Accounting

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

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

2. Indirect Cost Rate

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

TAYLOR COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2020

Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting

*Material weakness identified? **No**

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

Noncompliance material to financial statements **No**

FEDERAL AWARDS

Internal control over major programs:

* Material weakness identified? **No**

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

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

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

Identification of major programs:

CFDA Number

20.934

Name of Federal Program

**U.S. Department of Transportation - Railroad Administration
FASTLANE Grant Program**

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

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

Financial Statement Findings

None

**Federal Awards Findings and
Questioned Costs**

None

(Continued)

TAYLOR COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Fiscal Year Ended September 30, 2020

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
*Material weakness identified?	No
*Significant deficiencies identified not considered to be a material weakness?	None reported
Noncompliance material to financial statements	No

STATE FINANCIAL ASSISTANCE

Internal control over major programs:	
* Material weakness identified?	No
* Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with rule 10.656, <i>Rules of the Auditor General</i> ?	No

CSFA Number

55.009

Name of State Program

DEPARTMENT OF TRANSPORTATION
Small County Outreach Program

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

None

State Financial Assistance Findings and Questioned Costs

None

MANAGEMENT LETTER

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

We have audited the financial statements of Taylor County, Florida (the County), as of and for the year ended September 30, 2020, and have issued our report thereon dated May 10, 2021.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major Federal Awards Program and State Financial Assistance Project, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated May 10, 2021, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

BOARD OF COUNTY COMMISSIONERS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

CLERK OF THE CIRCUIT COURT

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

PROPERTY APPRAISER

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SHERIFF

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SUPERVISOR OF ELECTIONS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

TAX COLLECTOR

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

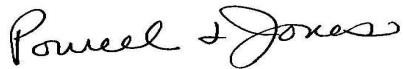
Financial Emergency Status - We determined that the County had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5b. and 10.556)(8), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

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

CONCLUSION

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

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

POWELL & JONES

Certified Public Accountants
May 10, 2021

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined Taylor County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Section 28.35 and 28.36 *Florida Statutes* as to the following during the fiscal year ended September 30, 2020:

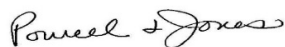
- a. The budget certified by the Florida Clerk of Courts Operations Corporation.
- b. The performance standards developed and certified to Sections 28.35, 28.36 and 61.181 *Florida Statutes*.

We also examined the County's compliance with sections 365.172(10) and 365.173(2)(d) *Florida Statutes* and requirements specified by the E911 Board grant and special disbursement programs. These laws require that E911 fee revenues, interest, and E911 grant funding to be used to pay for authorized expenditures as specified in the Statutes. Management is responsible for the County's and Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the County's and the Clerk's respective compliance based on our examinations.

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

In our opinion, Taylor County, Florida and the Taylor County Clerk of the Circuit Court complied, in all material respects, with the aforementioned respective requirements for the year ended September 30, 2020.

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



POWELL & JONES

Certified Public Accountants
May 10, 2021

CLERK OF THE CIRCUIT COURT

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

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2020

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Powell & Jones
Certified Public Accountants

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admin@powellandjonescpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Clerk of the Circuit Court
Taylor County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Taylor County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2020, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

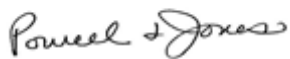
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Clerk of the Circuit Court, as of September 30, 2020, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 3, 2021, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk of the Circuit Court's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES

Certified Public Accountants

May 3, 2021

COMBINED FINANCIAL STATEMENTS

**TAYLOR COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINED BALANCE SHEET - ALL FUNDS
SEPTEMBER 30, 2020**

	<u>Governmental Funds</u>		<u>Fiduciary Funds</u>	
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS				
Current Assets				
Cash	\$ 6,521	\$ 403,964	\$ 180,908	\$ 591,393
Accounts receivable	-	-	800	800
Due from other funds	-	102,669	1,065	103,734
Investments	-	403,706	118,420	522,126
Total assets	<u>\$ 6,521</u>	<u>\$ 910,339</u>	<u>\$ 301,193</u>	<u>\$ 1,218,053</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 5,575	\$ -	\$ -	\$ 5,575
Due to individuals	-	-	13,836	13,836
Due to other funds	-	1,927	101,807	103,734
Due to other governmental units	746	972	4,425	6,143
Accrued interest payable	-	-	8,401	8,401
Cash bonds liability	-	-	9,000	9,000
Other current liabilities	200	-	163,724	163,924
Total liabilities	<u>6,521</u>	<u>2,899</u>	<u>301,193</u>	<u>310,613</u>
FUND EQUITY				
Restricted fund balance	-	907,440	-	907,440
Total liabilities and fund equity	<u>\$ 6,521</u>	<u>\$ 910,339</u>	<u>\$ 301,193</u>	<u>\$ 1,218,053</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2020**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
REVENUES			
Intergovernmental revenue	\$ -	\$ 235,374	\$ 235,374
Charges for services	136,637	247,705	384,342
Fines	-	116,875	116,875
Miscellaneous	2,817	4,687	7,504
Total revenues	<u>139,454</u>	<u>604,641</u>	<u>744,095</u>
EXPENDITURES			
Current expenditures			
General government	1,091,198	-	1,091,198
Court-related	-	602,231	602,231
Capital outlay			
General government	27,824	-	27,824
Court-related	-	1,633	1,633
Total expenditures	<u>1,119,022</u>	<u>603,864</u>	<u>1,722,886</u>
Excess of revenues over (under) expenditures	(979,568)	777	(978,791)
OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	<u>979,568</u>	<u>-</u>	<u>979,568</u>
Net change in fund balances	-	777	777
Fund balances at beginning of year	-	906,663	906,663
Fund balances at end of year	<u>\$ -</u>	<u>\$ 907,440</u>	<u>\$ 907,440</u>

See notes to financial statements.

TAYLOR COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020

	General Fund			Special Revenue Funds		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 235,374	\$ 235,374	\$ -
Charges for services	65,000	136,637	71,637	247,705	247,705	-
Fines	-	-	-	116,875	116,875	-
Miscellaneous	-	2,817	2,817	4,687	4,687	-
Total revenues	<u>65,000</u>	<u>139,454</u>	<u>74,454</u>	<u>604,641</u>	<u>604,641</u>	<u>-</u>
EXPENDITURES						
Current expenditures						
General government	1,027,316	1,091,198	(63,882)	-	-	-
Court-related	-	-	-	602,231	602,231	-
Capital outlay						
General government	18,000	27,824	(9,824)	-	-	-
Court-related	-	-	-	1,633	1,633	-
Total expenditures	<u>1,045,316</u>	<u>1,119,022</u>	<u>(73,706)</u>	<u>603,864</u>	<u>603,864</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(980,316)	(979,568)	748	777	777	-
OTHER FINANCING SOURCES						
Transfers from the Board of County Commissioners	<u>980,316</u>	<u>979,568</u>	<u>(748)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	777	777	-
Fund balances at beginning of year	-	-	-	906,663	906,663	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 907,440</u>	<u>\$ 907,440</u>	<u>\$ -</u>

See notes to financial statements.

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The Clerk, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Clerk's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as a part of the primary government of Taylor County, Florida. The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Taylor County, Florida, taken as a whole.

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

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Clerk are as follows:

(1) Governmental Funds

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

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2020, the Clerk maintained the following special revenue funds:

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

2) Fiduciary Funds

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

General Trust
Registry of Court
Cash Bond

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

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

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2020, the book balance of the Clerk's cash deposits was \$591,393. This bank balance was covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

Florida Local Government Investment Trust Fund (Trust)

The Florida Local Government Investment Trust (Florida Trust) is a local government investment pool (LGIP) developed through the joint efforts of the Florida Court Clerks and Comptrollers (FCCC) and the Florida Association of Counties (FAC). Organized on December 12, 1991, The Florida Trust is designed to complement existing investment programs by providing investment vehicles for funds that can be invested in short- to intermediate-term securities and have returns generally greater than the national average for money market instruments. The Florida Trust offers two open-ended, professionally managed funds available only to public entities in Florida, the Short-term Bond Fund and the Day to Day Fund. All of the Clerk's investment was invested in the Day to Day Fund. The Florida Trust Day to Day Fund had a net position of \$761,710,466 at September 30, 2020. The Day to Day Fund is a Fitch AAAM rated money market product offering a fiscally

conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The average maturity was 27.33 days as of September 30, 2020. Investments are reported at fair value based on the fair value per share of the underlying portfolio. Of the total investments Day to Day Fund 5.25% was invested in U.S. Treasury Notes. 8.87% was invested in commercial paper. 25.48% was invested in repurchase agreements, 8.62% was invested in government related securities, 8.59% was invested in Corporates, .10% was invested in money market funds, .20% was invested in CMO's, 9.85% was invested in Certificates of Deposit. 17.09% was invested in Asset Backed Securities, 10.03% was invested in Municipals and 5.91% was invested in U.S. Agencies.

As of September 30, 2020, the Clerk had investments with the Florida Local Government Day to Day Fund in the amount of \$522,126.

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

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

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$78,943 is reported in the General Long-Term Debt Accounts of Taylor County, Florida.

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

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

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

NOTE 2. DEFINED BENEFIT PENSION PLAN

Plan Description - The Clerk contributes to the Florida Retirement System ("System"), a cost sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - Effective July 1, 2011, all employees are required to contribute 3% to the System. The Clerk is required to contribute at an actuarially determined rate. The rates during the fiscal year ended September 30, 2020 were as follows:

<u>Class</u>	<u>October 1, 2019 - June 30, 2020</u>	<u>July 1, 2020 - September 30, 2020</u>
Regular Class	8.47%	10.00%
Special Risk Class	25.48%	24.45%
Special Risk Administrative Support	38.59%	35.84%
County Elected Officers Class	48.82%	49.18%
Senior Management Class	25.41%	27.29%
Deferred Retirement Option Program	14.60%	16.98%

The contribution requirements of plan members and the Clerk are established and may be amended by the Florida Legislature. The Clerk's contributions to the System for the years ending September 30, 2020, 2019 and 2018 were \$151,365, \$141,134 and \$128,225, respectively, equal to the required contributions for each year.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2020, were:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
IT/Public Records Modernization Trust	\$ 102,669	\$ -
Clerk Trust	1,065	101,807
State Court	-	1,927
	<u>\$ 103,734</u>	<u>\$ 103,734</u>

COMBINING AND INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**TAYLOR COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GENERAL FUND
September 30, 2020**

ASSETS

Current Assets

Cash	\$ 6,521
Total assets	<u>\$ 6,521</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Current Liabilities

Accounts payable	\$ 5,575
Due to other governmental units	746
Other current liabilities	<u>200</u>
Total liabilities and fund equity	<u>\$ 6,521</u>

See notes to the financial statements.

**TAYLOR COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Charges for services				
General government				
Recording of legal instruments	\$ 40,000	\$ 40,000	\$ 54,838	\$ 14,838
Other general government charges	25,000	25,000	81,799	56,799
Total charges for services	<u>65,000</u>	<u>65,000</u>	<u>136,637</u>	<u>71,637</u>
Miscellaneous				
Interest earnings	-	-	2,817	2,817
Total miscellaneous	<u>-</u>	<u>-</u>	<u>2,817</u>	<u>2,817</u>
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>139,454</u>	<u>74,454</u>
EXPENDITURES				
General government				
County financial and administrative				
Personal services	370,118	404,548	353,840	50,708
Operating expenses	17,050	17,050	30,039	(12,989)
Capital outlay	5,000	5,000	-	5,000
Total County financial and administrative	<u>392,168</u>	<u>426,598</u>	<u>383,879</u>	<u>42,719</u>
Clerk BCC recording				
Personal services	419,906	419,906	392,400	27,506
Operating expenses	33,114	33,114	33,165	(51)
Capital outlay	8,000	8,000	3,578	4,422
Total Clerk BCC recording	<u>461,020</u>	<u>461,020</u>	<u>429,143</u>	<u>31,877</u>
Article V				
Personal services	63,576	63,576	65,061	(1,485)
Operating expenses	15,500	15,500	98,821	(83,321)
Capital outlay	5,000	5,000	24,246	(19,246)
Total BCC recording	<u>84,076</u>	<u>84,076</u>	<u>188,128</u>	<u>(104,052)</u>
Court Offset				
Personal services	<u>73,622</u>	<u>73,622</u>	<u>117,872</u>	<u>(44,250)</u>
Total expenditures	<u>1,010,886</u>	<u>1,045,316</u>	<u>1,119,022</u>	<u>(29,456)</u>
Excess of revenues over (under) expenditures	(945,886)	(980,316)	(979,568)	748
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	<u>945,886</u>	<u>980,316</u>	<u>979,568</u>	<u>(748)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SPECIAL REVENUE FUNDS

**TAYLOR COUNTY, FLORIDA
SPECIAL REVENUE FUNDS
CLERK OF THE CIRCUIT COURT
ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2020**

	Court Fund	Child Support Enforcement Incentive	Reim- bursement	Public Records Modernization Trust	State Court	Teen Court	Totals
REVENUES							
Intergovernmental revenue	\$ 142,819	\$ -	\$ 83,319	\$ -	\$ 9,236	\$ -	\$ 235,374
Charges for services	228,724	-	-	13,714	-	5,267	247,705
Fines	116,875	-	-	-	-	-	116,875
Miscellaneous	-	19	4,494	127	-	47	4,687
Total revenues	<u>488,418</u>	<u>19</u>	<u>87,813</u>	<u>13,841</u>	<u>9,236</u>	<u>5,314</u>	<u>604,641</u>
EXPENDITURES							
Court-related							
Current expenses	461,119	-	129,552	397	11,163	-	602,231
Capital outlay	-	-	-	1,633	-	-	1,633
Total expenditures	<u>461,119</u>	<u>-</u>	<u>129,552</u>	<u>2,030</u>	<u>11,163</u>	<u>-</u>	<u>603,864</u>
Excess of revenues over (under) expenditures	27,299	19	(41,739)	11,811	(1,927)	5,314	777
Other financing uses							
Transfers to other funds	-	-	-	-	-	-	-
Fund balances at beginning of year	<u>14,787</u>	<u>17,132</u>	<u>610,085</u>	<u>222,249</u>	<u>-</u>	<u>42,410</u>	<u>906,663</u>
Fund balances at end of year	<u>\$ 42,086</u>	<u>\$ 17,151</u>	<u>\$ 568,346</u>	<u>\$ 234,060</u>	<u>\$ (1,927)</u>	<u>\$ 47,724</u>	<u>\$ 907,440</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
ALL SPECIAL REVENUE FUNDS
CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2020**

	Court Fund	Child Support Enforcement Incentive	Reim- bursement	Public Records Modernization Trust	State Court	Teen Court	Totals
REVENUES							
Intergovernmental revenue	\$ 142,819	\$ -	\$ 83,319	\$ -	\$ 9,236	\$ -	\$ 235,374
Charges for services	228,724	-	-	13,714	-	5,267	247,705
Fines	116,875	-	-	-	-	-	116,875
Miscellaneous	-	19	4,494	127	-	47	4,687
Total revenues	<u>488,418</u>	<u>19</u>	<u>87,813</u>	<u>13,841</u>	<u>9,236</u>	<u>5,314</u>	<u>604,641</u>
EXPENDITURES							
Court-related							
Current expenses	461,119	-	129,552	397	11,163	-	602,231
Capital outlay	-	-	-	1,633	-	-	1,633
Total expenditures	<u>461,119</u>	<u>-</u>	<u>129,552</u>	<u>2,030</u>	<u>11,163</u>	<u>-</u>	<u>603,864</u>
Excess of revenues over (under) expenditures	27,299	19	(41,739)	11,811	(1,927)	5,314	777
Other financing uses							
Transfers to other funds	-	-	-	-	-	-	-
Fund balances at beginning of year	<u>14,787</u>	<u>17,132</u>	<u>610,085</u>	<u>222,249</u>	<u>-</u>	<u>42,410</u>	<u>906,663</u>
Fund balances at end of year	<u>\$ 42,086</u>	<u>\$ 17,151</u>	<u>\$ 568,346</u>	<u>\$ 234,060</u>	<u>\$ (1,927)</u>	<u>\$ 47,724</u>	<u>\$ 907,440</u>

See notes to financial statements.

AGENCY FUNDS

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

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2020**

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
GENERAL TRUST				
Assets				
Cash	\$ 108,399	\$ 1,859,887	\$ 1,868,927	\$ 99,359
Accounts receivable	1,494	4,708	5,402	800
Due from other funds	-	1,065	-	1,065
Investments	117,167	1,253	-	118,420
Total assets	\$ 227,060	\$ 1,866,913	\$ 1,874,329	\$ 219,644
Liabilities				
Due to other funds	\$ 112,122	\$ 501,217	\$ 511,532	\$ 101,807
Due to other governmental				
Units	4,246	1,359,405	1,359,226	4,425
Cash bonds payable	4,000	5,000	-	9,000
Interest payable	7,110	1,291	-	8,401
Other current liabilities	1,177	-	1,143	34
Deposits payable	98,405	-	2,428	95,977
Total liabilities	\$ 227,060	\$ 1,866,913	\$ 1,874,329	\$ 219,644
REGISTRY OF THE COURT				
Assets				
Cash	\$ 70,467	\$ 308,254	\$ 311,008	\$ 67,713
Total assets	\$ 70,467	\$ 308,254	\$ 311,008	\$ 67,713
Liabilities				
Deposits payable	\$ 70,467	\$ 308,254	\$ 311,008	\$ 67,713
Total liabilities	\$ 70,467	\$ 308,254	\$ 311,008	\$ 67,713
CASH BOND				
Assets				
Cash	\$ 28,994	\$ 27,783	\$ 42,941	\$ 13,836
Liabilities				
Due to individuals	\$ 28,994	\$ 27,783	\$ 42,941	\$ 13,836

(Continued)

See notes to financial statements.

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

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2020**

TOTALS - ALL AGENCY FUNDS

Assets

Cash	\$	207,860	\$	2,195,924	\$	2,222,876	\$	180,908
Accounts receivables		1,494		4,708		5,402		800
Due from other funds		-		1,065		-		1,065
Investments		117,167		1,253		-		118,420
Total assets	\$	326,521	\$	2,201,697	\$	2,228,278	\$	301,193

Liabilities

Due to other funds	\$	112,122	\$	501,217	\$	511,532	\$	101,807
Due to other governmental units		4,246		4,708		5,402		4,425
Cash bonds payable		4,000		5,000		-		9,000
Interest payable		7,110		1,291		-		8,401
Other current liabilities		1,177		-		1,143		34
Deposits payable		168,872		308,254		313,436		163,690
Due to individuals		28,994		27,783		42,941		13,836
Total liabilities	\$	326,521	\$	512,216	\$	518,077	\$	301,193

See notes to financial statements.

COMPLIANCE SECTION

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

To the Clerk of the Circuit Court
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Clerk of the Circuit Court as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Taylor County Clerk of the Circuit Court's basic financial statements, and have issued our report thereon dated May 3, 2021.

Internal Control Over Financial Reporting

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

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

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

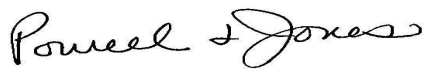
Compliance and Other Matters

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

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

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
May 3, 2021

MANAGEMENT LETTER

Honorable Clerk of the Circuit Court
Taylor County, Florida

We have audited the financial statements of the Taylor County Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 2020, and have issued our report thereon dated May 3, 2021. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1), *Florida Statutes*, is in agreement with the accompanying financial statements of Taylor County, Florida, for the year ended September 30, 2020. The financial statements of the Clerk of Circuit Court are combined with other County agencies in that report.

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

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

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

CONCLUSION

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

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

POWELL & JONES
Certified Public Accountants
May 3, 2021

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court
Taylor County, Florida

We have examined the Taylor County, Florida's Clerk of the Circuit Court's (Clerk's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. We have also examined the Clerk's compliance with Sections 28.35, 28.36 and 61.181 *Florida Statutes* as to the following during the fiscal year ended September 30, 2020:

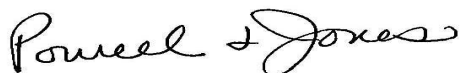
- a. The budget certified by the Florida Clerk of Courts Operations Corporation.
- b. The performance standards developed and certified to Section 28.35 and 28.36 *Florida Statutes*.
- c. The requirements for a depository for alimony, support and maintenance transactions.

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

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

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

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



POWELL & JONES
Certified Public Accountants
May 3, 2021

PROPERTY APPRAISER

**TAYLOR COUNTY, FLORIDA
PROPERTY APPRAISER**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2020

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Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
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admin@powellandjonescpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser
Taylor County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Taylor County Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2020, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Property Appraiser, as of September 30, 2020, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 2, 2021, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
March 2, 2021

COMBINED FINANCIAL STATEMENTS

**TAYLOR COUNTY, FLORIDA
PROPERTY APPRAISER
BALANCE SHEET
September 30, 2020**

	<u>Governmental Fund General Fund</u>
ASSETS	
Current Assets	
Cash	\$ 20,590
Total assets	<u>\$ 20,590</u>
LIABILITIES	
Current Liabilities	
Due to Board of County Commissioners	\$ 20,590
Total liabilities	<u>\$ 20,590</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
PROPERTY APPRAISER
GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2020**

	<u>General Fund</u>
REVENUES	
Miscellaneous	<u>\$ 34</u>
EXPENDITURES	
Current expenditures	
General government	<u>835,228</u>
Total expenditures	<u>835,228</u>
Excess of revenues over (under) expenditures	(835,194)
OTHER FINANCING SOURCE	
Transfers from Board of County Commissioners	<u>835,194</u>
Net change in fund balance	-
Fund balance at beginning of year	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>

TAYLOR COUNTY, FLORIDA

PROPERTY APPRAISER

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

The Property Appraiser, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Property Appraiser's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as a part of the primary government of Taylor County, Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Taylor County, Florida, taken as a whole.

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

B. Fund Accounting

Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Property Appraiser are as follows:

(i) Governmental Fund

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

C. Basis of Accounting

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

D. Budget

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

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

E. Cash and Investments

Deposits are carried at cost which equals market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2020, the book balance of the Property Appraiser's deposits was \$20,590. The total bank balance was covered by federal depository insurance and pledged collateral.

F. Inventories

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

G. Fixed Assets

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

H. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its

employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$12,630 is reported in the General Long-Term Debt Accounts of Taylor County, Florida.

I. Estimates

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

J. Risk Management

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

K. Deferred Revenues

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

NOTE 2. PENSION PLAN

Plan Description - The Property Appraiser contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee noncontributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their wages. The Property Appraiser is required to contribute at an actuarially determined rate. The rates at September 30, 2020 were as follows: Regular Employees 10.00%; Senior Management 27.29%; DROP 16.98%, and Elected Officials 49.18%. The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Property Appraiser's

contributions to the System for the years ending September 30, 2020, 2019, and 2018 were \$102,055, \$95,825 and \$90,631, respectively, equal to the required contributions for each year. Full information on the System is included in Note 12 to the Taylor County, Florida, Financial Report.

INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**TAYLOR COUNTY, FLORIDA
PROPERTY APPRAISER
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Miscellaneous	\$ -	\$ 34	\$ 34
EXPENDITURES			
General government			
Property Appraiser			
Personal services			
Executive salaries	103,272	103,272	-
Regular salaries	350,326	337,098	13,228
FICA	34,777	33,157	1,620
Retirement	86,119	102,055	(15,936)
Life and health insurance	153,724	147,572	6,152
Unemployment	-	25	(25)
Total personal services	<u>728,218</u>	<u>723,179</u>	<u>5,039</u>
Operating expenses			
Education	3,500	790	2,710
Legal ads	2,000	2,212	(212)
Professional services	23,000	12,767	10,233
Contractual services	53,963	59,219	(5,256)
Travel and per diem	8,500	5,222	3,278
Communications	5,016	6,566	(1,550)
Transportation	2,500	228	2,272
Repairs and maintenance	3,500	1,492	2,008
Office supplies	9,000	12,369	(3,369)
Printing and binding	4,800	1,229	
Other current charges	6,450	9,955	(3,505)
Total operating expenses	<u>122,229</u>	<u>112,049</u>	<u>-</u>
Total expenditures	<u>850,447</u>	<u>835,228</u>	<u>-</u>
Excess of revenues over (under) expenditures	(850,447)	835,194	
OTHER FINANCING SOURCE			
Transfers from Board of County Commissioners	850,447	(835,194)	(1,685,641)
Net change in fund balance			
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

COMPLIANCE SECTION

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

To the Property Appraiser
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Property Appraiser as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Taylor County Property Appraiser's special purpose fund financial statements, and have issued our report thereon dated March 2, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
March 2, 2021

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

Honorable Property Appraiser
Taylor County, Florida

We have audited the financial statements of the Taylor County Property Appraiser, as of and for the year ended September 30, 2020, and have issued our report thereon dated March 2, 2021.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated March 2, 2021. Disclosures in that report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

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

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

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

CONCLUSION

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

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

POWELL & JONES

Certified Public Accountants

March 2, 2021

INDEPENDENT ACCOUNTANT'S REPORT

To The Property Appraiser
Taylor County, Florida

We have examined the Taylor County, Florida Property Appraiser's (the Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

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

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



POWELL & JONES
Certified Public Accountants
March 2, 2021

SHERIFF

TAYLOR COUNTY, FLORIDA
SHERIFF
SPECIAL PURPOSE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2020

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Sheriff
Taylor County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Taylor County Sheriff (the Sheriff), as of and for the year ended September 30, 2020, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Sheriff, as of September 30, 2020, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 13, 2021, on our consideration of the Sheriff' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff' internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
April 13, 2021

COMBINED FINANCIAL STATEMENTS

**TAYLOR COUNTY, FLORIDA
SHERIFF
COMBINED BALANCE SHEET - ALL FUND TYPES
September 30, 2020**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Types</u>	
	<u>Special</u>			
	<u>General Fund</u>	<u>Revenue Funds</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS				
Current assets				
Cash	\$ 255,478	\$ 35,185	\$ 39,661	\$ 330,324
Accounts receivable	-	6,056	2,263	8,319
Due from other governmental units	51,945	35,963	-	87,908
Total assets	<u>\$ 307,423</u>	<u>\$ 77,204</u>	<u>\$ 41,924</u>	<u>\$ 426,551</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 30	\$ -	\$ -	\$ 30
Due to individuals	-	-	20,224	20,224
Due to Board of County Commissioners	307,275	-	1,960	309,235
Other current liabilities	118	-	19,740	19,858
Total liabilities	<u>307,423</u>	<u>-</u>	<u>41,924</u>	<u>349,347</u>
Fund balance				
Restricted	-	77,204	-	77,204
Total fund balances	<u>-</u>	<u>77,204</u>	<u>-</u>	<u>77,204</u>
Total liabilities and fund balances	<u>\$ 307,423</u>	<u>\$ 77,204</u>	<u>\$ 41,924</u>	<u>\$ 426,551</u>

See notes to financial statements

**TAYLOR COUNTY, FLORIDA
SHERIFF
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2020**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
REVENUES			
Intergovernmental	\$ 333,051	\$ 155,835	\$ 488,886
Charges for services	238,755	50,124	288,879
Miscellaneous	38,253	10,552	48,805
Total revenues	<u>610,059</u>	<u>216,511</u>	<u>826,570</u>
EXPENDITURES			
Public safety			
Law enforcement			
Personnel services	4,225,311	-	4,225,311
Operating expenses	754,609	223,012	977,621
Capital outlay	113,122	4,146	117,268
Capital outlay from Board of County Commissioners	645,215	-	645,215
Total law enforcement	<u>5,738,257</u>	<u>227,158</u>	<u>5,965,415</u>
Detention and correction			
Personnel services	1,795,256	-	1,795,256
Operating expenses	473,931	36,372	510,303
Capital outlay	2,300	11,967	14,267
Total detention and correction	<u>2,271,487</u>	<u>48,339</u>	<u>2,319,826</u>
Total expenditures	<u>8,009,744</u>	<u>275,497</u>	<u>8,285,241</u>
Excess of revenues over (under) expenditures	<u>(7,399,685)</u>	<u>(58,986)</u>	<u>(7,458,671)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from (to) Board of County Commissioners	6,754,470	68,370	6,822,840
Special transfer of equipment from Board of County Commissioners	645,215	-	645,215
Total other financing sources (uses)	<u>7,399,685</u>	<u>68,370</u>	<u>7,468,055</u>
Net change in fund balances	-	9,384	9,384
Fund balances at beginning of year	-	67,820	67,820
Fund balances at end of year	<u>\$ -</u>	<u>\$ 77,204</u>	<u>\$ 77,204</u>

See notes to financial statements

**TAYLOR COUNTY, FLORIDA
SHERIFF
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2020**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ -	\$ 333,051	\$ 333,051	\$ 155,835	\$ 155,835	\$ -
Charges for services	-	238,755	238,755	50,124	50,124	-
Miscellaneous	-	38,253	38,253	10,552	10,552	-
Total revenues	-	610,059	610,059	216,511	216,511	-
EXPENDITURES						
Public Safety						
Law enforcement						
Personnel services	3,777,480	4,225,311	(447,831)	-	-	-
Operating expenses	528,754	754,609	(225,855)	223,012	223,012	-
Capital outlay	-	113,122	(113,122)	4,146	4,146	-
Capital outlay Board of County Commissioners	-	645,215	(645,215)	-	-	-
Total law enforcement	4,306,234	5,738,257	(1,432,023)	227,158	227,158	-
Detention and correction						
Personnel services	2,041,294	1,795,256	246,038	-	-	-
Operating expenses	516,526	473,931	42,595	36,372	36,372	-
Capital outlay	-	2,300	(2,300)	-	11,967	-
Total detention and correction	2,557,820	2,271,487	286,333	36,372	48,339	-
Total expenditures	6,864,054	8,009,744	(1,145,690)	263,530	275,497	-
Excess of revenues over (under) expenditures	(6,864,054)	(7,399,685)	(535,631)	(58,986)	(58,986)	-
OTHER FINANCING SOURCES (USES)						
Transfers from (to) Board of County Commissioners	6,864,054	6,754,470	(109,584)	68,370	68,370	-
Special transfer of equipment from Board of County Commisssioners	-	645,215	645,215	-	-	-
	6,864,054	7,399,685	535,631	68,370	68,370	-
Net change in fund balances	-	-	-	9,384	9,384	-
Fund balances at beginning of year	-	-	-	67,820	67,820	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 77,204	\$ 77,204	\$ -

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

SHERIFF

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Taylor County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or results of operations of Taylor County, Florida, taken as a whole.

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

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Sheriff are as follows:

(i) Governmental Funds

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. During the fiscal year ended September 30, 2020, the Sheriff maintained the following Special Revenue Funds:

Drug Task Force Grant
Non-grant Forfeitures
Local Law Enforcement Block Grant
Special Law Enforcement Trust
Inmate Welfare
Emergency Management Grant

(ii) **Fiduciary Funds**

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

Individual Depository
Inmate Trust
Evidence Trust

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

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

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as “Cash.” At September 30, 2020, the book balance of the Sheriff’s deposits was \$330,324. This balance was covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

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

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

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$742,205 is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

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

NOTE 2. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	<u>Equipment</u>	<u>Accumulated Depreciation</u>	<u>Net Assets</u>
Beginning Balance	\$ 2,645,856	\$ (2,362,229)	\$ 283,627
Additions	<u>776,750</u>	<u>(139,749)</u>	<u>637,001</u>
Ending Balance	<u>\$ 3,422,606</u>	<u>\$ (2,501,978)</u>	<u>\$ 920,628</u>

NOTE 3. PENSION PLAN

Plan Description - The Sheriff contributes to the Florida Retirement System ("System"), a cost sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida

Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850)488-5706.

Funding Policy - The System was employee noncontributory through June 30, 2011. Subsequently, employees contribute 3% of their salaries to the System. The Sheriff is required to contribute at an actuarially determined rate. The rates at September 30, 2020, were as follows: Regular Employees 10.00%; Special Risk Administrative Support 35.84%, Special Risk Employees 24.45%; Senior Management 27.26%; Elected Officials 49.18% and employees electing the DROP Program 16.98%. The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2020, 2019 and 2018 were \$748,724, \$703,856 and \$673,909, respectively, equal to the required contributions for each year. Full information on the System is included in Note 12 to the Taylor County, Florida Financial Report.

NOTE 4. RISK MANAGEMENT

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

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

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

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

NOTE 5. LEASES

The Sheriff has various leases for office equipment with noncancelable terms. Lease expense for the 2020 fiscal year was \$6,888. The following is a schedule of commitments under these leases:

<u>Fiscal Year Ending</u>		
2021	\$	2,918
2022		1,858
2023		567
Total	\$	<u><u>5,343</u></u>

NOTE 6. CONTINGENT LIABILITIES

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

COMBINING AND INDIVIDUAL FUND STATEMENTS

**TAYLOR COUNTY, FLORIDA
SHERIFF
GENERAL FUND
BALANCE SHEET
September 30, 2020**

ASSETS

Cash	\$ 255,478
Due from other governmental units	51,945
Total assets	<u>\$ 307,423</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable and accrued liabilities	\$ 30
Due to Board of County Commissioners	307,275
Other current liabilities	118
Total liabilities	<u>307,423</u>
Total liabilities and fund balance	<u>\$ 307,423</u>

See notes to financial statements.

**TAYLOR COUNTY
SHERIFF
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenue				
Federal and state grants				
Public safety	\$ -	\$ -	\$ 333,051	\$ 333,051
Total intergovernmental revenue	-	-	333,051	333,051
Charges for services				
Public safety	-	-	238,755	238,755
Miscellaneous				
Miscellaneous	-	-	38,253	38,253
Total miscellaneous	-	-	38,253	38,253
Total revenues	-	-	610,059	610,059
EXPENDITURES				
Public safety				
Law enforcement				
Personnel services	3,777,480	3,777,480	4,225,311	(447,831)
Operating expenses	528,754	528,754	754,609	(225,855)
Capital outlay	-	-	113,122	(113,122)
Capital outlay from Board of County Commissioners	-	-	645,215	(645,215)
Total law enforcement	4,306,234	4,306,234	5,738,257	(1,432,023)
Corrections and detention				
Personnel services	2,041,294	2,041,294	1,795,256	246,038
Operating expenses	516,526	516,526	473,931	42,595
Capital outlay	-	-	2,300	(2,300)
Total corrections and detention	2,557,820	2,557,820	2,271,487	286,333
Total expenditures	6,864,054	6,864,054	8,009,744	(1,145,690)
Excess of revenues over (under) expenditures	(6,864,054)	(6,864,054)	(7,399,685)	(535,631)
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	6,864,054	6,864,054	6,754,470	(109,584)
Special transfer of equipment from Board of County Commissioners	-	-	645,215	645,215
Total other financing sources	6,864,054	6,864,054	7,399,685	535,631
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
SHERIFF
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2020**

	<u>Drug Task Force Grant</u>	<u>Nongrant Forfeitures</u>	<u>Inmate Welfare</u>	<u>Local Law Enforcement Block Grant</u>	<u>Special Law Enforcement Trust</u>	<u>Emergency Management</u>	<u>Totals</u>
ASSETS							
Current assets							
Cash	\$ 1,484	\$ -	\$ 11,386	\$ 3,039	\$ 6,672	\$ 12,604	\$ 35,185
Accounts receivable	-	-	6,056	-	-	-	6,056
Due from other governmental units	-	-	-	-	-	35,963	35,963
Total assets	<u>\$ 1,484</u>	<u>\$ -</u>	<u>\$ 17,442</u>	<u>\$ 3,039</u>	<u>\$ 6,672</u>	<u>\$ 48,567</u>	<u>\$ 77,204</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Current liabilities							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Restricted	1,484	-	17,442	3,039	6,672	48,567	77,204
Total fund balances	<u>\$ 1,484</u>	<u>\$ -</u>	<u>\$ 17,442</u>	<u>\$ 3,039</u>	<u>\$ 6,672</u>	<u>\$ 48,567</u>	<u>\$ 77,204</u>

See notes to financial statements

**TAYLOR COUNTY, FLORIDA
SHERIFF
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2020**

	Drug Task Force Grant	Nongrant Forfeitures	Inmate Welfare	Local Law Enforcement Block Grant	Special Law Enforcement Trust	Emergency Management	Totals
REVENUES							
Intergovernmental							
Federal and State grants							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,835	\$ 155,835
Total intergovernmental revenue	-	-	-	-	-	155,835	155,835
Charges for services							
Public safety	-	-	50,124	-	-	-	50,124
Miscellaneous							
Miscellaneous	4,490	-	5,049	-	1,013	-	10,552
Total revenues	4,490	-	55,173	-	1,013	155,835	216,511
EXPENDITURES							
Public safety							
Law enforcement							
Operating expenses	22,445	4,315	-	-	-	196,252	223,012
Capital outlay	3,000	-	-	-	-	1,146	4,146
Total law enforcement	25,445	4,315	-	-	-	197,398	227,158
Corrections and detention							
Operating expenses	-	-	36,372	-	-	-	36,372
Capital outlay	-	-	11,967	-	-	-	11,967
Total corrections and detention	-	-	48,339	-	-	-	48,339
Total expenditures	25,445	4,315	48,339	-	-	197,398	275,497
Excess of revenues over expenditures	(20,955)	(4,315)	6,834	-	1,013	(41,563)	(58,986)
OTHER FINANCING SOURCES (USES)							
Transfers from Board of County	20,241	-	-	-	-	48,129	68,370
Total other financing sources (uses)	20,241	-	-	-	-	48,129	68,370
Net change in fund balance	(714)	(4,315)	6,834	-	1,013	6,566	9,384
Fund balances at beginning of year	2,198	4,315	10,608	3,039	5,659	42,001	67,820
Fund balances at end of year	\$ 1,484	\$ -	\$ 17,442	\$ 3,039	\$ 6,672	\$ 48,567	\$ 77,204

See notes to financial statements

**TAYLOR COUNTY, FLORIDA
SHERIFF
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2020**

	<u>Individual Depository</u>	<u>Inmate Trust</u>	<u>Evidence Trust</u>	<u>Totals</u>
ASSETS				
Cash	8,986	27,164	3,511	\$ 39,661
Accounts receivable	-	2,263	-	2,263
Total assets	<u>\$ 8,986</u>	<u>\$ 29,427</u>	<u>\$ 3,511</u>	<u>\$ 41,924</u>
LIABILITIES				
Due to Individuals	\$ 7,026	\$ 13,198	\$ -	\$ 20,224
Due to the Board of County Commissioners	1,960	-	-	1,960
Other current liabilities	-	16,229	3,511	19,740
Total liabilities	<u>\$ 8,986</u>	<u>\$ 29,427</u>	<u>\$ 3,511</u>	<u>\$ 41,924</u>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
SHERIFF
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2020**

	Balance September 30, 2019	Additions	Deletions	Balance September 30, 2020
INDIVIDUAL DEPOSITORY				
ASSETS				
Cash	\$ 5,760	\$ 39,492	\$ 36,266	\$ 8,986
Total assets	\$ 5,760	\$ 39,492	\$ 36,266	\$ 8,986
LIABILITIES				
Due to Board of County Commissioners	\$ -	\$ 21,880	\$ 21,880	\$ 1,960
Other current liabilities	5,760	17,612	14,386	7,026
Total liabilities	\$ -	\$ 39,492	\$ 36,266	\$ 8,986
INMATE TRUST				
ASSETS				
Cash	\$ 4,484	\$ 154,810	\$ 132,130	\$ 27,164
Accounts receivable	658	1,605	-	2,263
Total assets	\$ 5,142	\$ 154,810	\$ 132,130	\$ 29,427
LIABILITIES				
Due to individuals	\$ 5,142	\$ 154,810	\$ 146,754	\$ 13,198
Other current liabilities	-	16,229	-	16,229
Total liabilities	\$ 5,142	\$ 171,039	\$ 146,754	\$ 29,427
EVIDENCE TRUST				
ASSETS				
Cash	\$ 3,511	\$ -	\$ -	\$ 3,511
Total assets	\$ 3,511	\$ -	\$ -	\$ 3,511
LIABILITIES				
Other current liabilities	\$ 3,511	\$ -	\$ -	\$ 3,511
Total liabilities	\$ 3,511	\$ -	\$ -	\$ 3,511
TOTALS-ALL AGENCY FUNDS				
ASSETS				
Cash	\$ 16,981	\$ 194,302	\$ 168,396	\$ 39,661
Accounts receivable	658	1,605	-	2,263
Total assets	\$ 17,639	\$ 195,907	\$ 168,396	\$ 41,924
LIABILITIES				
Due to individuals	\$ 5,142	\$ 154,810	\$ 146,754	\$ 13,198
Due to Board of County Commissioners	-	21,880	21,880	1,960
Other current liabilities	3,511	33,841	14,386	26,766
Total liabilities	\$ 8,653	\$ 210,531	\$ 183,020	\$ 41,924

See notes to financial statements.

COMPLIANCE SECTION

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

To the Sheriff
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Sheriff as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Taylor County Sheriff' special purpose financial statements, and have issued our report thereon dated April 13, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
April 13, 2021

MANAGEMENT LETTER

Honorable Sheriff
Taylor County, Florida

We have audited the special purpose fund financial statements of the Taylor County Sheriff, as of and for the year ended September 30, 2020, and have issued our report thereon dated April 13, 2021.

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

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in this report which is dated April 13, 2021, should be considered in conjunction with this management letter.

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

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

PRIOR YEAR FINDINGS

There were no findings in the prior year.

CURRENT YEAR FINDINGS

There were no findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

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

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5a. and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition

assessment was based in part on representations made by management and the review of financial information they provided.

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

CONCLUSION

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

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

POWELL & JONES
Certified Public Accountants
April 13, 2021

INDEPENDENT ACCOUNTANT'S REPORT

To The Sheriff
Taylor County, Florida

We have examined the Taylor County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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



POWELL & JONES
Certified Public Accountants
April 13, 2021

SUPERVISOR OF ELECTIONS

TAYLOR COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
SPECIAL PURPOSE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2020

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Supervisor of Elections
Taylor County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Taylor County Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2020, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Supervisor of Elections, as of September 30, 2020, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 10, 2021, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
May 10, 2021

COMBINED FINANCIAL STATEMENTS

**TAYLOR COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
BALANCE SHEET
September 30, 2020**

ASSETS

Current Assets

Cash	\$ 52,590
Receivables	67
	<hr/>
Total assets	\$ 52,657
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current Liabilities

Unearned grant revenue	\$ 47,035
Due to Board of County Commissioners	5,622
	<hr/>
Total liabilities	52,657

FUND BALANCE

	<hr/>
Total liabilities and fund balance	\$ 52,657
	<hr/> <hr/>

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2020**

	<u>Actual</u>
REVENUES	
Intergovernmental	
Grants	
Security grant	\$ 28,659
CARES Act	33,747
Cradlepoint	1,897
Total intergovernmental	<u>64,303</u>
Miscellaneous	
Other	1,629
Interest	13
Total miscellaneous	<u>1,642</u>
Total revenues	<u>65,945</u>
EXPENDITURES	
General government	
Other general government	
Supervisor of Elections	
Personnel services	343,016
Operating expenses	70,356
Total Supervisor of Elections	<u>413,372</u>
Elections	
Personnel services	52,427
Operating expenses	221,343
Total elections	<u>273,770</u>
Total general government	<u>687,142</u>
Excess of revenues over (under)	
 expenditures	<u>(621,197)</u>
OTHER FINANCING SOURCES	
Transfers (to) from Board of County	
Commissioners	
Transfers in	626,819
Transfers out	(5,622)
Total other financing sources (uses)	<u>621,197</u>
Net change in fund balance	<u>-</u>
Fund balance at end of year	<u>\$ -</u>

See notes to financial statements.

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

September 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The Supervisor of Elections, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Supervisor of Elections' Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as a part of the primary government of Taylor County, Florida. The Supervisor of Elections' financial statements do not purport to reflect the financial position or the results of operations of a Taylor County, Florida, taken as a whole.

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

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Supervisor of Elections are as follows:

(i) Governmental Fund

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

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

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles

and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the operating budget of the Supervisor of Elections.

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2020, the book balance of the Supervisor of Elections' deposits was \$52,590.

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

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

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$20,715 is reported in the General Long-Term Debt Accounts of Taylor County, Florida.

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

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

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

NOTE 2. PENSION PLAN

Plan Description - The Supervisor of Elections contributes to the Florida Retirement System (“System”), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida; or by calling (850) 488-5706.

Funding Policy - The System was employee noncontributory through June 30, 2011. Subsequently, employees are required to contribute 3% to the System. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates at September 30, 2020, were as follows: Regular Employees 10.00%; Senior Management 27.29%; and Elected Officials 49.18%. The contribution requirements of plan members and the Supervisor of Elections are established and may be amended by the Florida Legislature. The Supervisor of Elections’ contributions to the System for the years ending September 30, 2020, 2019, and 2018 were \$59,912, \$57,730 and \$54,235, respectively, equal to the required contributions for each year. Full financial information on the System is contained in Note 12 to the Taylor County, Florida Financial Report.

NOTE 3. LEASES

The Supervisor has various leases for office equipment on noncancelable terms. Lease expense for the 2020 fiscal year was \$2,197. The following is a schedule of commitments under these leases.

<u>Fiscal Year Ending</u>	
2021	\$ 1,516
2022	1,516
2023	1,516
2024	1,011
Total	<u>\$ 5,559</u>

INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**TAYLOR COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental			
Grants			
Security grant	\$ -	\$ 28,659	\$ 28,659
CARES Act	-	33,747	33,747
Cradlepoint	-	1,897	1,897
Total intergovernmental	-	64,303	64,303
Miscellaneous			
Other	1,629	1,629	-
Interest	13	13	-
Total miscellaneous	1,642	1,642	-
Total revenues	1,642	65,945	64,303
EXPENDITURES			
General government			
Other general government			
Supervisor of Elections			
Personnel services	343,015	343,016	(1)
Operating expenses	70,730	70,356	374
Total Supervisor of Elections	413,745	413,372	373
Elections			
Personnel services	52,427	52,427	-
Operating expenses	157,040	221,343	(64,303)
Total elections	209,467	273,770	(64,303)
Total general government	623,212	687,142	(63,930)
Excess of revenues over (under) expenditures	(621,570)	(621,197)	373
OTHER FINANCING SOURCES			
Transfers (to) from Board of County Commissioners			
Transfers in	626,819	626,819	-
Transfers out	(5,249)	(5,622)	(373)
Total other financing sources (uses)	621,570	621,197	(373)
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

COMPLIANCE SECTION

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

To the Supervisor or Elections
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Supervisor of Elections as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Taylor County Supervisor of Elections' special purpose fund financial statements, and have issued our report thereon dated May 10, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
May 10, 2021

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

Honorable Supervisor of Elections
Taylor County, Florida

We have audited the financial statements of the Taylor County Supervisor of Elections, as of and for the year ended September 30, 2020, and have issued our report thereon dated May 10, 2021.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 10, 2021. Disclosures in that report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

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

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

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

CONCLUSION

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

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

POWELL & JONES

Certified Public Accountants

May 10, 2021

INDEPENDENT ACCOUNTANT'S REPORT

To The Supervisor of Elections
Taylor County, Florida

We have examined the Taylor County, Florida Supervisor of Elections' (the Supervisor) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

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

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

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

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

POWELL & JONES
Certified Public Accountants
May 10, 2021

TAX COLLECTOR

**TAYLOR COUNTY, FLORIDA
TAX COLLECTOR**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2020

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Tax Collector
Taylor County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Taylor County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2020, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550,

Rules of the Auditor General - Local Governmental Entity Audits. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting entity, Taylor County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Taylor County Tax Collector, as of September 30, 2020, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 29, 2021 on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
April 29, 2021

COMBINED FINANCIAL STATEMENTS

**TAYLOR COUNTY, FLORIDA
TAX COLLECTOR
COMBINED BALANCE SHEET - ALL FUNDS
September 30, 2020**

	Governmental Fund	Fiduciary Funds	
	General Fund	Agency Funds	Totals
ASSETS			
Current assets			
Cash	\$ 54,206	\$ 334,650	\$ 388,856
Due from individuals and receivables	-	50,117	50,117
Due from other governmental units	-	29,896	29,896
Total assets	\$ 54,206	\$ 414,663	\$ 468,869
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Current liabilities			
Due to Board of County Commissioners	52,106	\$ -	\$ 52,106
Due to other governmental units	-	145	145
Installments, fees and taxes payable	-	390,512	390,512
Other current liabilities	2,100	24,006	26,106
Total liabilities	\$ 54,206	\$ 414,663	\$ 468,869

See notes to financial statements.

**TAYLOR COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
COMBINED STATEMENT F REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2020**

REVENUES	
Charges for services	\$ 831,462
Total revenues	<u>831,462</u>
EXPENDITURES	
General government	
Current expenditures	<u>1,101,702</u>
Total expenditures	<u>1,101,702</u>
Excess of revenues over (under) expenditures	<u>(270,240)</u>
OTHER FINANCING SOURCES (USES)	
Transfers from Board of County Commissioners	<u>270,240</u>
Total other financing sources (uses)	<u>270,240</u>
Net change in fund balance	-
Fund balance at beginning of year	-
Fund balance at end of year	<u><u>\$ -</u></u>

See notes to financial statements.

TAYLOR COUNTY, FLORIDA

**TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
September 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The Tax Collector, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Tax Collector's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as a part of the primary government of Taylor County, Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Taylor County, Florida, taken as a whole.

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

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Tax Collector are as follows:

(i) Governmental Fund

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

(ii) Fiduciary Funds

Agency Funds - Agency funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following Agency Funds are maintained by the Tax Collector:

Tax Fund Account
Tag Agency

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

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

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Tax Collector, as amended during the year.

E. Cash and Investments - Cash deposits are held by a bank qualified as a public depository under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, *Florida Statutes*.

Investments made locally consist of money market funds and are reported at fair value. The Office did not hold investments at September 30, 2020.

The Tax Collector also has petty cash reserves in the amount of \$2,100.

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

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

depreciation has been provided on the County's capital assets. Assets purchased by the Tax Collector are reported in the Board of County Commissioners' Capital Assets Accounts.

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$27,185 is reported in the General Long-Term Debt Account Group of Taylor County, Florida.

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

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

NOTE 2. PENSION PLAN

Plan Description - The Tax Collector contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System was employee noncontributory through June 30, 2011. Subsequently, employees are required to contribute 3% to the System. The Tax Collector is required to contribute at an actuarially determined rate. The rates at September 30, 2020 were as follows: Regular Employees 10.00%; Senior Management 27.29%; Elected Officials

49.18%. The contribution requirements of plan members and the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2020, 2019, and 2018, were \$125,810, \$117,741, and \$105,396, respectively, equal to the required, contributions for each year. Full information on the System is included in Note 12 to the Taylor County, Florida Financial Report.

NOTE 3. DEPOSITS

At September 30, 2020, the carrying amount of the Tax Collector's bank deposits was \$386,756. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

NOTE 4. LEASES

The Tax Collector has various leases for office equipment and facilities with noncancelable terms. Lease expense for the 2020 fiscal year was \$1,985. The following is a schedule of commitments under these leases:

<u>Fiscal Year Ending</u>	
2021	\$ 1,936
2022	<u>1,936</u>
Total	<u><u>\$ 3,872</u></u>

COMBINING AND INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**TAYLOR COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services				
County Officer fees				
Tax roll commissions				
Board of County Commissioners	\$ 410,000	\$ 410,000	423,728	\$ 13,728
SRWMD	16,000	16,000	15,699	(301)
Advertising	41,000	41,000	48,330	7,330
Advertising delinquent	-	-	5,935	5,935
Fees FWCC	10,000	10,000	5,277	(4,723)
Board of County Commissioners postage	8,000	8,000	6,697	(1,303)
DMV fees	160,000	160,000	179,376	19,376
Fees sales tax	1,560	1,560	1,560	-
Fees miscellaneous	15,026	15,026	4,205	(10,821)
Fees drivers licenses	50,000	50,000	50,627	627
Tax certificate fees	77,000	77,000	74,539	(2,461)
E Comm fees	1,000	1,000	8,243	7,243
Concealed weapons fees	10,000	10,000	7,246	(2,754)
Total charges for services	799,586	799,586	831,462	31,876
Total revenues	799,586	799,586	831,462	31,876
EXPENDITURES				
General government				
Tax Collector				
Personnel services				
Executive salaries	105,272	105,272	105,272	-
Regular salaries	431,673	431,673	431,633	40
Special pay	17,000	17,000	16,999	1
Payroll taxes	40,946	40,946	40,249	697
Retirement	125,924	125,924	125,810	114
Life and health insurance	182,550	182,550	182,307	243
Total personnel services	903,365	903,365	902,270	1,095

(Continued)

**TAYLOR COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget Positive (Negative)
Operating expenses				
EDP services	\$ 45,850	\$ 45,850	45,844	\$ 6
Legal services	2,875	2,875	2,784	91
Professional services	500	500	241	259
Other contractual services	30,000	30,000	29,782	218
Travel and per diem	3,100	3,100	3,028	72
Communications	6,000	6,000	5,130	870
Transportation	20,325	20,325	19,895	430
Rentals and leases	2,150	2,150	1,985	165
Insurance	780	780	777	3
Repairs and maintenance	5,900	5,900	4,368	1,532
Legal ads	61,800	61,800	61,782	18
Office supplies	12,000	12,000	11,781	219
Books, publications, and subscriptions	3,825	3,825	3,795	30
Other current operating expenses	-	-	3,140	(3,140)
EDP equipment	5,100	5,100	5,100	-
Total operating expenses	200,205	200,205	199,432	773
Total expenditures	1,103,570	1,103,570	1,101,702	1,868
Excess of revenues over (under) expenditures	(303,984)	(303,984)	(270,240)	33,744
OTHER FINANCING SOURCES (USES)				
Transfers from Board of County Commissioners	303,984	303,984	270,240	(33,744)
Total other financing sources (uses)	303,984	303,984	270,240	(33,744)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

AGENCY FUNDS

**TAYLOR COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2020**

	Balance September 30, 2019	Additions	Deductions	Balance September 30, 2020
TAX FUND ACCOUNT				
Assets				
Cash	\$ 383,231	\$ 25,642,566	\$ 25,645,832	379,965
Other receivables	20,299	2,436,514	2,426,044	30,769
Due from other funds	-	15,636	15,636	-
Total assets	<u>\$ 403,530</u>	<u>\$ 28,094,716</u>	<u>\$ 28,087,512</u>	<u>\$ 410,734</u>
Liabilities				
Taxes payable	\$ 378,206	\$ 23,795,311	\$ 23,783,005	\$ 390,512
Due to other funds	-	36,278	36,278	-
Due to other governmental units	2,619	750,900	753,519	-
Other current liabilities	22,705	1,190,737	1,193,220	20,222
Total liabilities	<u>\$ 403,530</u>	<u>\$ 25,773,226</u>	<u>\$ 25,766,022</u>	<u>\$ 410,734</u>
TAG AGENCY				
Assets				
Cash	\$ 2,061	\$ 9,643,477	\$ 9,690,853	\$ (45,315)
Due from individuals	23,193	2,095,786	2,099,631	19,348
Due from other governmental units	-	29,896	-	29,896
Total assets	<u>\$ 25,254</u>	<u>\$ 11,739,263</u>	<u>\$ 11,790,484</u>	<u>\$ 3,929</u>
Liabilities				
Due to other funds	\$ -	\$ 2,028,126	\$ 2,028,126	\$ -
Due to other governmental units	6,030	7,621,783	7,627,668	145
Other current liabilities	19,224	339,737	355,177	3,784
Total liabilities	<u>\$ 25,254</u>	<u>\$ 9,989,646</u>	<u>\$ 10,010,971</u>	<u>\$ 3,929</u>
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ 385,292	\$ 35,286,043	\$ 35,336,685	\$ 334,650
Other receivables	43,492	4,532,300	4,525,675	50,117
Due from other governmental units	-	29,896	-	29,896
Due from other funds	-	15,636	15,636	-
Total assets	<u>\$ 428,784</u>	<u>\$ 39,863,875</u>	<u>\$ 39,877,996</u>	<u>\$ 414,663</u>
Liabilities				
Taxes payable	\$ 378,206	\$ 23,795,311	\$ 23,783,005	\$ 390,512
Due to other funds	-	2,064,404	2,064,404	-
Due to other governmental units	8,649	8,372,683	8,381,187	145
Other current liabilities	41,929	1,530,474	1,548,397	24,006
Total liabilities	<u>\$ 428,784</u>	<u>\$ 35,762,872</u>	<u>\$ 35,776,993</u>	<u>\$ 414,663</u>

See notes to financial statements.

COMPLIANCE SECTION

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

To the Tax Collector
Taylor County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Taylor County Tax Collector as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Taylor County Tax Collector's special purpose financial statements, and have issued our report thereon dated April 29, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Powell & Jones". The script is cursive and fluid, with the ampersand clearly visible.

POWELL & JONES
Certified Public Accountants
April 29, 2021

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

Honorable Tax Collector
Taylor County, Florida

We have audited the financial statements of the Taylor County Tax Collector, as of and for the year ended September 30, 2020, and have issued our report thereon dated April 29, 2021.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated April 29, 2021. Disclosures in that report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

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

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

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

CONCLUSION

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

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

POWELL & JONES

Certified Public Accountants

April 29, 2021

INDEPENDENT ACCOUNTANT'S REPORT

To The Tax Collector
Taylor County, Florida

We have examined the Taylor County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

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

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

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

POWELL & JONES
Certified Public Accountants
April 29, 2021