

Clay County, Florida

Audit Report

For the Year Ended September 30, 2019



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September 30, 2019

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INDEPENDENT AUDITORS' REPORT

The Honorable County Commissioners
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Clay County, Florida (the "County"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Housing Finance Authority of Clay County, which is the County's discretely presented component unit. Those statements were audited by another auditor whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Housing Finance Authority of Clay County, are based solely on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, which is required by the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and *Chapter 10.550, Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Caru, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 25, 2020

Management's Discussion and Analysis

This discussion and analysis of Clay County's (the County) financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2019. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes. We hope this will assist readers in identifying significant financial issues and changes in the County's financial position.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of fiscal year 2019 by \$399,507,475. \$363,149,516 is from Governmental activities while \$36,312,959 is from Business-type activities.
- The County reported a liability of \$126,872,006 for its proportionate share of the Florida Retirement System net pension liability.
- The County's revenues exceeded its expenses by \$9,597,881 for the fiscal year.
- Outstanding long-term obligations as of September 30, 2019 were \$174,329,428. Of this amount \$6,083,719 is considered due within one year.

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 comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and liabilities, 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.

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

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

Management's Discussion and Analysis

culture/recreation. The business-type activities include solid waste disposal and solid waste collection (universal collection).

The government-wide financial statements include not only the County itself (known as the primary government), but also the Housing Finance Authority of Clay County. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1-2 of this report.

Fund Financial Statements

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

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

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

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Sheriff MSTU, and Capital Improvement Projects funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general, budgeted special revenue, debt service and capital projects funds. A budget comparison statement has been provided for these funds, where applicable, to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found on pages 3-6 of this report.

Management's Discussion and Analysis

The County maintains two types of proprietary funds, enterprise funds and an internal services fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to solid waste disposal and universal solid waste collection. An internal service fund is utilized to report activities of the County's self insured employee/retiree health fund.

Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal and solid waste collection operations.

The basic proprietary fund financial statements can be found on pages 7-9 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is similar to proprietary funds.

The basic fiduciary fund financial statement can be found on page 10 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-33 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's comparison of budget and actual revenues and expenditures for its general and major special revenue funds; and certain information concerning the County's other postemployment benefit and pension obligations. Required supplementary information can be found on pages 34-39 of this report.

The combining statements referred to earlier in connection with non-major governmental funds can be found on pages 40-68 of this report.

The County received federal and state financial assistance, generally in the form of grants. Expenditures of these grants are reported on pages 69-70.

Requirements of the Auditor General and Uniform Guidance are also presented on pages 72-82.

Management’s Discussion and Analysis

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the County, assets exceeded liabilities by \$399,507,475 at the close of the fiscal year ended September 30, 2019.

**County of Clay, Florida
Net Position**

	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 149,837,122	\$ 120,136,684	\$ 36,650,453	\$ 34,421,333	\$ 186,487,575	\$ 154,558,017
Capital assets	367,274,493	370,912,451	4,339,565	4,283,496	371,614,058	375,195,947
Total assets	517,111,615	491,049,135	40,990,018	38,704,829	558,101,633	529,753,964
Deferred outflow of resources	43,352,579	47,523,789	421,692	542,088	43,774,271	48,065,877
Noncurrent liabilities outstanding	171,039,879	154,743,408	3,289,549	3,444,150	174,329,428	158,187,558
Other liabilities	14,261,143	14,063,489	1,719,775	1,780,596	15,980,918	15,844,085
Total liabilities	185,301,022	168,806,897	5,009,324	5,224,746	190,310,346	174,031,643
Deferred inflows of resources	11,968,656	13,741,315	89,427	137,289	12,058,083	13,878,604
Net position:						
Invested capital assets						
net of related debt	367,274,493	370,912,451	4,339,565	4,283,496	371,614,058	375,195,947
Restricted	82,943,591	66,512,360	-	-	82,943,591	66,512,360
Unrestricted (deficit)	(87,023,568)	(81,400,099)	31,973,394	29,601,386	(55,050,174)	(51,798,713)
Total net position	\$ 363,194,516	\$ 356,024,712	\$ 36,312,959	\$ 33,884,882	\$ 399,507,475	\$ 389,909,594

The largest portion of the County’s net position (93%) reflects its investment in capital assets such as land, buildings, infrastructure, improvements and equipment, less any outstanding debt used to acquire those capital assets. The County uses these capital assets to provide services to the 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 portion of the County’s net position, \$82,943,591, represents resources that are subject to external restrictions on how they may be used. The remaining balance represents a deficit in net position of \$55,050,174.

Governmental Activities

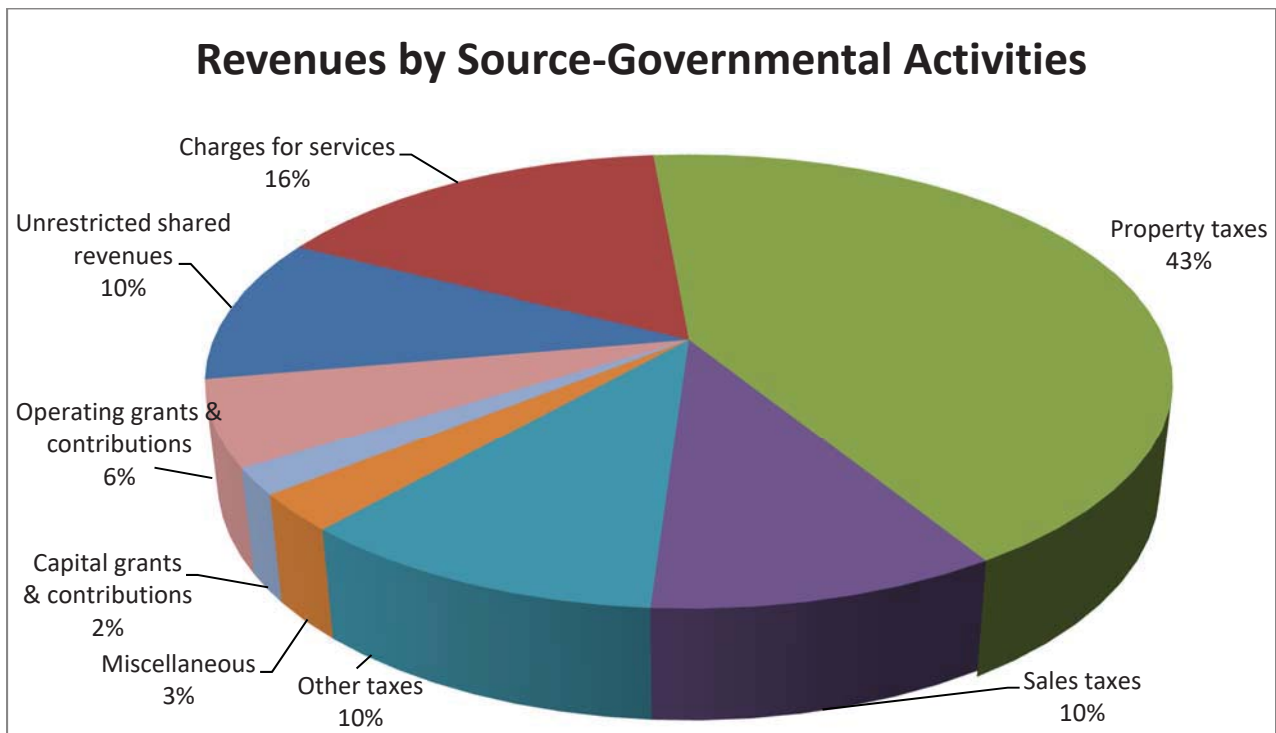
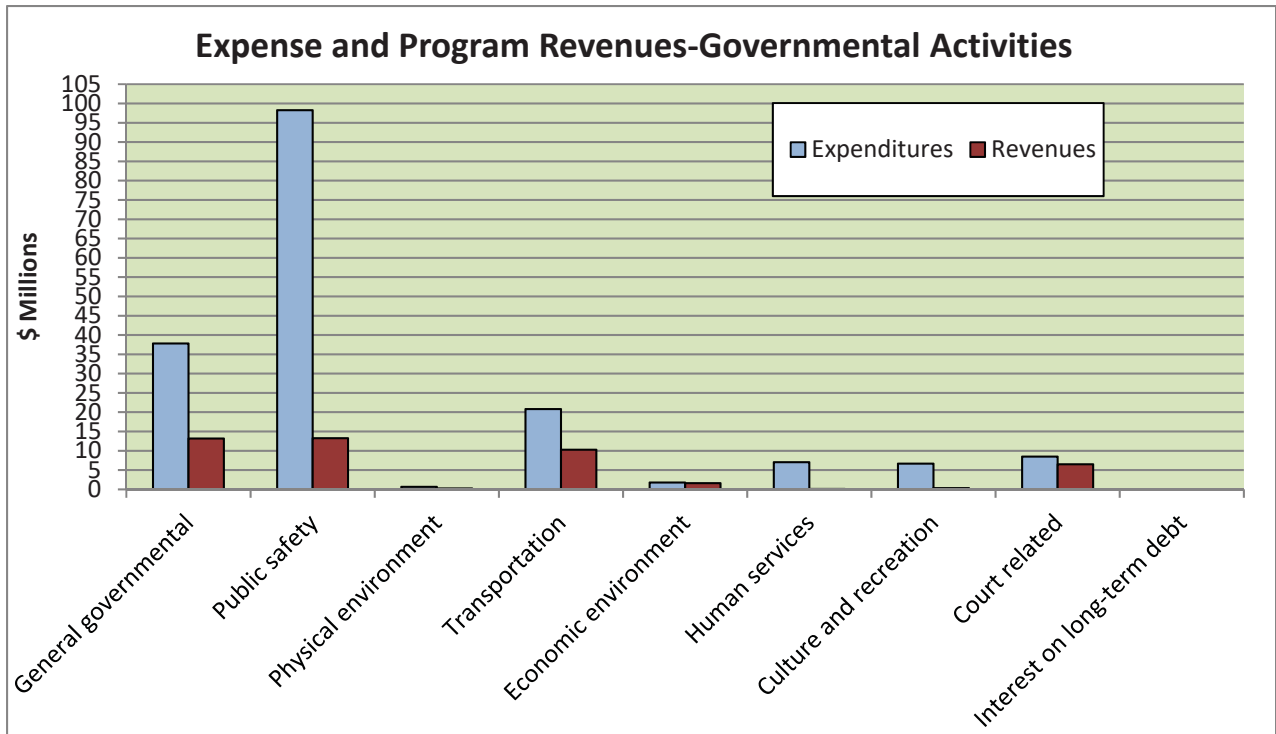
Governmental activities increased the County’s net position by \$7,169,804.

Management's Discussion and Analysis

*County of Clay, Florida
Changes in Net Position*

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 30,316,146	\$ 28,268,632	\$ 20,840,917	\$ 21,490,064	\$ 51,157,063	\$ 49,758,696
Operating grants and contributions	11,578,858	7,094,543	-	-	11,578,858	7,094,543
Capital grants and contributions	3,590,669	3,313,805	-	-	3,590,669	3,313,805
General revenues:						
Property taxes	80,468,701	75,228,393	-	-	80,468,701	75,228,393
Other taxes	38,433,363	36,756,647	-	-	38,433,363	36,756,647
Other revenues	24,454,252	22,632,020	962,750	555,966	25,417,002	23,187,986
Total revenues	188,841,989	173,294,040	21,803,667	22,046,030	210,645,656	195,340,070
Expenses:						
General government	34,795,771	38,208,745	-	-	34,795,771	38,208,745
Court related	8,590,325	7,061,312	-	-	8,590,325	7,061,312
Public safety	96,660,797	85,688,732	-	-	96,660,797	85,688,732
Physical environment	675,650	1,619,093	-	-	675,650	1,619,093
Transportation	25,860,879	24,998,583	-	-	25,860,879	24,998,583
Economic environment	1,794,299	1,549,367	-	-	1,794,299	1,549,367
Human services	6,729,249	8,203,584	-	-	6,729,249	8,203,584
Culture and recreation	6,423,743	6,046,087	-	-	6,423,743	6,046,087
Interest on long-term debt	13,246	484,542	-	-	13,246	484,542
Solid waste disposal	-	-	9,901,483	10,523,583	9,901,483	10,523,583
Solid waste collection	-	-	9,602,333	9,287,855	9,602,333	9,287,855
Total expenses	181,543,959	173,860,045	19,503,816	19,811,438	201,047,775	193,671,483
Change in net position before transfers	7,298,030	(566,005)	2,299,851	2,234,592	9,597,881	1,668,587
Transfers	(128,226)	(130,230)	128,226	130,230	-	-
Change in net positions	7,169,804	(696,235)	2,428,077	2,364,822	9,597,881	1,668,587
Net position – beginning of year	356,024,712	356,720,947	33,884,882	31,520,060	389,909,594	388,241,007
Net position – end of year	\$ 363,194,516	\$ 356,024,712	\$ 36,312,959	\$ 33,884,882	\$ 399,507,475	\$ 389,909,594

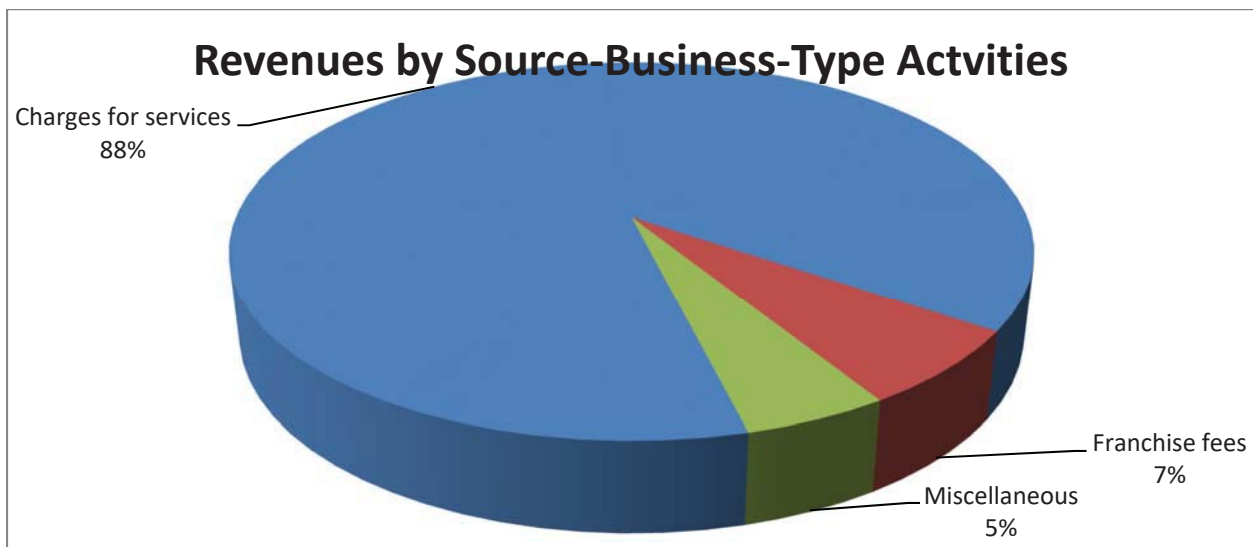
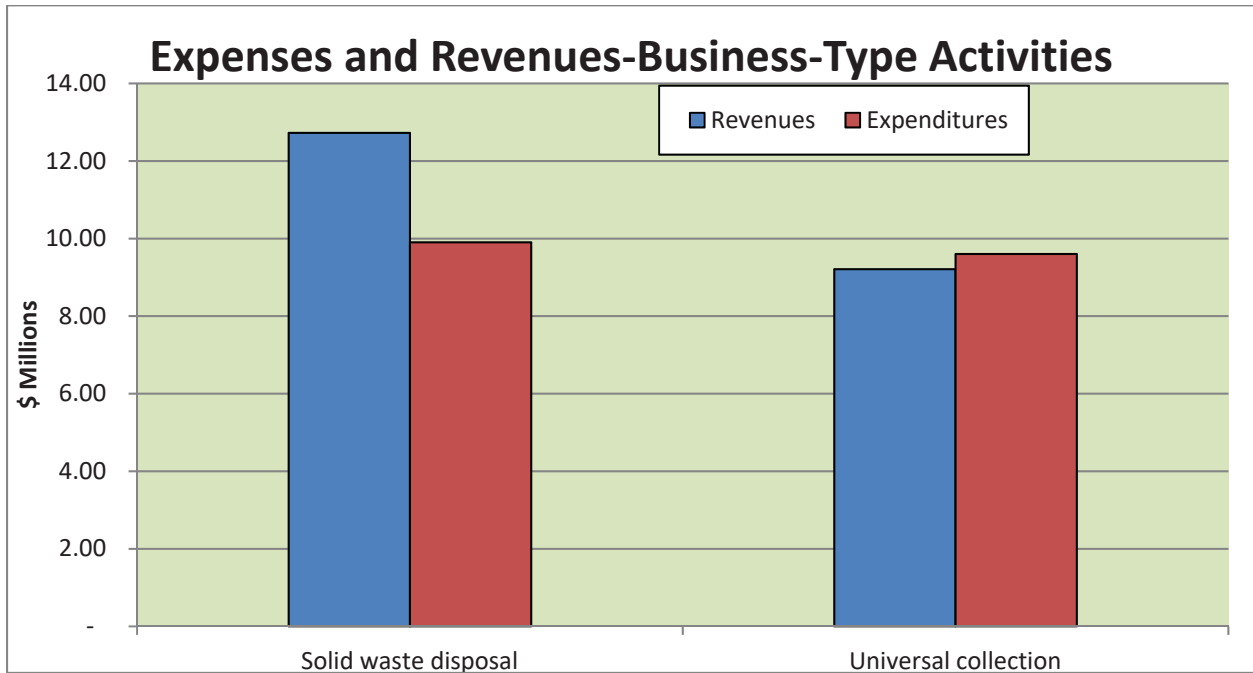
Management's Discussion and Analysis



Management’s Discussion and Analysis

Business-type activities

Business-type activities increased the County’s net position by \$2,428,077. The key elements of the increase are attributable to the Solid Waste Disposal fund which reported revenues in excess of expenses of \$2,821,723. The other enterprise fund, the Solid Waste Collection fund, reported expenses in excess of revenues of \$393,646.



Management’s Discussion and Analysis

Financial Analysis of the County’s Funds

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

The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year 2019, the County’s General fund reported an ending fund balance of \$40,242,818. This is an increase of \$12,350,356 from the prior year. Unassigned fund balance is \$7,432,489 and is generally available for spending at the County’s discretion. The remainder of fund balance is either, restricted for specific purposes, \$163,708; assigned with the intent to be used for a specific purpose, \$32,218,328; or considered non-spendable for inventory and prepaid items, \$428,293.

The fund balance of the County’s General fund increased during the fiscal year, as stated above. There were significant increases in several revenue areas over the amounts anticipated. These include an Ad Valorem Tax increase of \$3,481,333 and various Federal and State Grant funding increase of \$5,037,694.

The General fund is the chief operating fund of the County. As a measure of the General fund’s liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 6.6% of the total General fund expenditures.

The Sheriff MSTU fund and Capital Improvements Projects funds are reported as major funds along with the General Fund. For the fiscal year, the Sheriff MSTU operated with a surplus of \$2,370,960 and an ending balance of \$5,717,532; and the Capital Projects fund operated with a surplus of \$12,119,281 and an ending fund balance of \$43,646,472.

The County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Solid Waste Disposal and Solid Waste Collection enterprise funds are both reported as major funds. Additionally, the County operates a self insured program for its employee/retiree health benefit coverage. This activity is reported as an Internal Service fund.

Unrestricted net position of the proprietary funds at the end of the current and prior fiscal years amounted to:

	Unrestricted Net Position	
	2019	2018
Solid Waste Disposal	\$ 30,934,245	\$ 28,168,591
Universal Collection	1,039,149	1,432,795
Internal	10,617,796	9,890,222
Total	\$ 42,591,190	\$ 39,491,608

Management's Discussion and Analysis

Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

Over the course of the year the County revised the General fund budget several times. These budget amendments fall into two categories. The first category includes supplemental appropriations. These additional appropriations consist primarily of unanticipated revenues received by the County during the year. The second category of budgetary amendments is regular budgetary adjustments from one division to another. Differences between the General fund's original budget and final amended budget are briefly summarized as follows:

- Increase in General Government Services of \$773,641.
- Increase in Public Safety of \$895,991.
- Increase in Physical Environment of \$3,455.
- Increase in Transportation of \$4,762.
- Increase in Economic Development of \$379.
- Increase in Human Services of \$306,253
- Decrease in Culture and Recreation of \$641.
- Increase in Court Costs of \$228,529.
- Increase in Capital Outlay of \$226,827.

Significant differences between the final amended General fund budget for the fiscal year 2019 and the actual expenditures are briefly summarized as follows:

- Anticipated repairs and maintenance expenditures in buildings and grounds did not occur resulting in a positive variance of \$432,988.
- Anticipated repairs and maintenance expenditures in parks and recreation did not occur resulting in a positive variance of \$877,464.
- Anticipated fuel expenditures in the Fleet department did not occur resulting in a positive variance of \$388,508.
- Disaster recovery expenditures did not occur resulting in a positive variance of \$1,860,342.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2019 amounted to \$371,614,058 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. The total decrease in the County's investment in capital assets (net of depreciation and disposals) for the year was 1.0% (a net decrease of \$3,637,958 for governmental activities and a \$56,069 net increase for business-type activities).

Management’s Discussion and Analysis

Major capital asset events during the fiscal year include the following:

- Construction and improvements to County roadways of \$6,285,941.
- Public safety equipment of \$1,265,365 consisting of two firetrucks and two ambulances.
- Various park projects of \$2,556,053.

Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 97,629,443	\$ 104,311,374	\$ 877,750	\$ 986,525	\$ 98,507,193	\$ 105,297,899
Building and improvements	63,046,171	64,821,812	3,167,667	3,064,325	66,213,838	67,886,137
Machinery and equipment	14,640,117	12,259,440	294,148	232,646	14,934,265	12,492,086
Infrastructure	188,744,861	169,247,193	-	-	188,744,861	169,247,193
Construction in progress	3,213,901	20,272,632	-	-	3,213,901	20,272,632
Total	\$ 367,274,493	\$ 370,912,451	\$ 4,339,565	\$ 4,283,496	\$ 371,614,058	\$ 375,195,947

Additional information on the County’s capital assets can be found in Note 5 on pages 21-22 of this report.

Long-term Debt

During the 2009 fiscal year the County issued \$71,025,000 of revenue bonds. The Series 2009 bonds were secured by a lien upon and pledge of the discretionary sales surtax. Proceeds of the bonds were being utilized for several large road improvements in the Lake Asbury area of the County. This bond issue of the County was paid off during September of 2018 and is no longer outstanding at the 2019 fiscal year end.

Outstanding Debt
Governmental Activities

	2019	2018
Sales tax revenue bonds	\$ -	\$ 8,990,000

Additional information on the County’s debt can be found in Note 6 on page 22 of this report.

Economic Factors and Next Year’s Budget and Rates

- The unemployment rate for the County was 3.0% for 2019. This represents a decrease of 11.8% from the prior year (3.4%).
- The gross taxable property values increased to \$11.4 billion in fiscal year 2019, an increase of 7.2%.

Management's Discussion and Analysis

- The number of building inspections performed decreased from 43,838 in fiscal year 2018 to 36,466 in fiscal year 2019. There were 6,719 building permits issued and 6,423 buildings were issued certificates of occupancy during 2019 compared to 7,824 building permits and 7,619 certificated of occupancy for the fiscal year 2018.
- The County's population increased 1.5% to 215,246 over the 2018 number of 212,034.

Of the County's September 30, 2019 General fund balance of \$40,242,818, \$25,809,299 has been appropriated to the 2019 fiscal year to help fund 2020 activity. This amount has been included in the assigned fund balance on the 2019 financial statements along with \$6,409,029 in the Fine & Forfeiture fund which is assigned for law enforcement purposes.

The 2019 ad valorem tax rate for the County remained constant at 8.101 mills.

The disposal assessment rates (\$72.00 per unit) for the Solid Waste fund as well as the franchise fees were not changed for the 2019 fiscal year. The universal collection assessment fee was changed to \$154.44 per household, up from \$139.20 in the prior year.

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. If you have any questions concerning any of the information provided in this report or need additional financial information, contact the County's Finance Director at 477 Houston Street, Green Cove Springs, Florida. Additional information concerning the County can be found on our web site <http://www.claycountygov.com>.

Statement of Net Position
September 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business Type Activities	Total	Housing Finance Authority
Assets:				
Cash and equivalents	\$ 43,996,740	\$ 3,938,001	\$ 47,934,741	\$ 2,012,887
Investments	39,069,585	31,868,967	70,938,552	1,141,425
Due from other governments	5,632,162	12,792	5,644,954	-
Receivables	6,936,724	190,549	7,127,273	5,081,603
Prepays	35,755	-	35,755	-
Inventory	410,437	-	410,437	-
Internal balances	(165,821)	468,525	302,704	-
Restricted investments	53,921,540	171,619	54,093,159	-
Capital assets:				
Non-depreciable	100,843,344	877,750	101,721,094	-
Depreciable, net	266,431,149	3,461,815	269,892,964	-
Total assets	517,111,615	40,990,018	558,101,633	8,235,915
Deferred outflows of resources - pension	43,352,579	421,692	43,774,271	-
Liabilities:				
Accounts payable and accrued liabilities	11,492,730	1,500,254	12,992,984	4,000
Due to other governments	197,447	-	197,447	-
Unearned revenue	-	-	-	-
Deposits	135	219,521	219,656	-
Estimated liability for self-insurance losses	2,570,831	-	2,570,831	-
Noncurrent liabilities:				
Due within one year	5,878,864	204,855	6,083,719	-
Due in more than one year	165,161,015	3,084,694	168,245,709	-
Total liabilities	185,301,022	5,009,324	190,310,346	4,000
Deferred inflows of resources - OPEB	2,285,929	-	2,285,929	-
Deferred inflows of resources - pension	9,682,727	89,427	9,772,154	-
Net position:				
Net investment in capital assets	367,274,493	4,339,565	371,614,058	-
Restricted:				
Public safety	16,560,067	-	16,560,067	-
Transportation	3,922,400	-	3,922,400	-
Economic environment	5,186,754	-	5,186,754	640,400
Human services	13,090	-	13,090	-
Culture and recreation	1,362,673	-	1,362,673	-
Court related	8,556,381	-	8,556,381	-
Capital projects	45,789,205	-	45,789,205	-
Municipal services	1,389,313	-	1,389,313	-
Election grants	163,708	-	163,708	-
Unrestricted	(87,023,568)	31,973,394	(55,050,174)	7,591,515
Total net position	\$ 363,194,516	\$ 36,312,959	\$ 399,507,475	\$ 8,231,915

See accompanying notes.

Statement of Activities
Year ended September 30, 2019

Functions/programs	Net (Expense) Revenue and Changes in Net Position							Component Unit	
	Program Revenues				Primary Government				Housing Finance Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total		
Primary government:									
Governmental activities:									
General government	\$ 34,795,771	\$ 13,148,039	\$ 47,123	\$ -	\$ (21,600,609)	\$ -	\$ (21,600,609)	\$ -	
Public safety	96,660,797	9,583,273	3,695,145	-	(83,382,379)	-	(83,382,379)	-	
Physical environment	675,650	199,649	34,481	-	(441,520)	-	(441,520)	-	
Transportation	25,860,879	382,371	6,286,471	3,590,669	(15,601,368)	-	(15,601,368)	-	
Economic environment	1,794,299	1,214,747	391,491	-	(188,061)	-	(188,061)	-	
Human services	6,729,249	97,814	16,309	-	(6,615,126)	-	(6,615,126)	-	
Culture and recreation	6,423,743	180,626	133,446	-	(6,109,671)	-	(6,109,671)	-	
Court related	8,590,325	5,509,627	974,392	-	(2,106,306)	-	(2,106,306)	-	
Unallocated interest on long-term debt	13,246	-	-	-	(13,246)	-	(13,246)	-	
Total governmental activities	181,543,959	30,316,146	11,578,858	3,590,669	(136,058,286)	-	(136,058,286)	-	
Business-type activities:									
Solid waste disposal	9,901,483	11,828,788	-	-	-	1,927,305	1,927,305	-	
Universal collections	9,602,333	9,012,129	-	-	-	(590,204)	(590,204)	-	
Total business-type activities	19,503,816	20,840,917	-	-	-	1,337,101	1,337,101	-	
Total primary government	\$ 201,047,775	\$ 51,157,063	\$ 11,578,858	\$ 3,590,669	(136,058,286)	1,337,101	(134,721,185)	-	
Component unit:									
Housing Finance Authority	\$ 269,121	\$ 374,776	\$ -	\$ -	-	-	-	105,655	
General revenues:									
Property taxes					80,468,701	-	80,468,701	-	
Utility service tax					4,100,724	-	4,100,724	-	
Discretionary sales taxes					19,804,072	-	19,804,072	-	
Gas taxes					9,280,048	-	9,280,048	-	
Communications service tax					5,211,416	-	5,211,416	-	
Other taxes					37,103	-	37,103	-	
Unrestricted shared revenues					19,453,933	-	19,453,933	-	
Miscellaneous					5,000,319	962,750	5,963,069	104,331	
Transfers					(128,226)	128,226	-	-	
Total general revenues and transfers					143,228,090	1,090,976	144,319,066	104,331	
Change in net position					7,169,804	2,428,077	9,597,881	209,986	
Net position – beginning of year					356,024,712	33,884,882	389,909,594	8,021,929	
Net position – end of year					\$ 363,194,516	\$ 36,312,959	\$ 399,507,475	\$ 8,231,915	

See accompanying notes.

**Balance Sheet – Governmental Funds
September 30, 2019**

	General Fund	Capital Improvement Projects	Sheriff MSTU	Other Govern- mental Funds	Total Govern- mental Funds
Assets:					
Cash and equivalents	\$ 14,148,151	\$ 10,618,309	\$ 435,275	\$ 16,513,367	\$ 41,715,102
Investments	28,058,050	31,628,765	4,596,205	17,808,632	82,091,652
Due from other funds	851,681	225,922	686,052	743,837	2,507,492
Due from other governments	1,564,805	3,017,684	-	1,049,673	5,632,162
Receivables, net	6,755,539	-	-	176,486	6,932,025
Prepaid costs	18,092	-	-	17,663	35,755
Inventory	410,201	-	-	236	410,437
Total assets	\$ 51,806,519	\$ 45,490,680	\$ 5,717,532	\$ 36,309,894	\$ 139,324,625
Liabilities:					
Accounts payable and accrued liabilities	\$ 7,128,613	\$ 1,528,481	\$ -	\$ 1,340,488	\$ 9,997,582
Due to other funds	1,229,806	4,000	-	1,439,507	2,673,313
Due to other governments	95,883	-	-	101,564	197,447
Unearned revenue	-	-	-	-	-
Total liabilities	8,454,302	1,532,481	-	2,881,559	12,868,342
Deferred inflows:					
Unavailable revenue	3,109,399	311,727	-	1,289	3,422,415
Fund balances:					
Nonspendable:					
Prepays	18,092	-	-	17,663	35,755
Inventory	410,201	-	-	236	410,437
Restricted	163,708	43,646,472	5,717,532	33,415,879	82,943,591
Assigned	32,218,328	-	-	-	32,218,328
Unassigned	7,432,489	-	-	(6,732)	7,425,757
Total fund balances	40,242,818	43,646,472	5,717,532	33,427,046	123,033,868
Total liabilities, deferred inflows and fund balances	\$ 51,806,519	\$ 45,490,680	\$ 5,717,532	\$ 36,309,894	\$ 139,324,625

See accompanying notes.

**Reconciliation of the Balance Sheet to the Statement of Net Position
September 30, 2019**

Fund balances – total governmental funds	\$ 123,033,868
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not reported in the governmental funds.	
Capital assets – net	367,274,493
Long-term liabilities are not reported in the governmental funds.	
Compensated absences	(14,754,176)
Net pension liability	(125,673,872)
Net OPEB liability	(30,611,831)
The estimated liability for self-insured workers' compensation is not accrued in the governmental funds.	(1,498,100)
Revenue is recognized when earned. However, revenue is deferred until the current financial resources are available in the governmental fund statements.	3,422,415
Deferred outflows related to pensions are not reported in governmental funds	43,352,579
Deferred inflows related to pensions are not reported in governmental funds	(9,682,727)
Deferred inflows related to OPEB are not reported in governmental funds	(2,285,929)
Net position of the Internal Service Fund is reported in governmental activities but not in the governmental funds.	10,617,796
Net position of governmental activities	\$ 363,194,516

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2019

	General Fund	Capital Improvement Projects	Sheriff MSTU	Other Govern- mental Funds	Total Govern- mental Funds
Revenues:					
Taxes	\$ 62,996,721	\$ 22,870,524	\$ 20,887,085	\$ 12,332,148	\$ 119,086,478
Licenses and permits	11,204	2,778,632	-	3,504,897	6,294,733
Intergovernmental	29,854,167	971,001	-	6,176,907	37,002,075
Charges for services	12,728,743	-	-	5,444,405	18,173,148
Fines and forfeitures	54,940	-	-	1,263,887	1,318,827
Miscellaneous	3,294,255	749,200	199,053	1,176,082	5,418,590
Total revenues	108,940,030	27,369,357	21,086,138	29,898,326	187,293,851
Expenditures:					
Current:					
General government	25,552,323	-	-	1,020,709	26,573,032
Public safety	68,944,703	-	2,643,573	8,868,855	80,457,131
Physical environment	545,097	-	-	-	545,097
Transportation	2,423,788	2,226,287	-	9,211,785	13,861,860
Economic environment	217,592	-	-	1,555,676	1,773,268
Human services	5,713,026	-	-	793,982	6,507,008
Culture and recreation	5,800,697	-	-	203,205	6,003,902
Court related	2,142,234	-	-	5,394,400	7,536,634
Capital outlay	1,884,339	11,701,525	-	1,486,951	15,072,815
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	13,246	13,246
Total expenditures	113,223,799	13,927,812	2,643,573	28,548,809	158,343,993
Excess of revenues over (under) expenditures	(4,283,769)	13,441,545	18,442,565	1,349,517	28,949,858
Other financing sources (uses):					
Transfers in	18,403,348	226,374	684,443	3,566,628	22,880,793
Transfers out	(1,738,246)	(1,548,638)	(16,756,048)	(2,920,299)	(22,963,231)
Total other financing sources (uses)	16,665,102	(1,322,264)	(16,071,605)	646,329	(82,438)
Net change in fund balances	12,381,333	12,119,281	2,370,960	1,995,846	28,867,420
Fund balances – beginning of year	27,892,462	31,527,191	3,346,572	31,433,459	94,199,684
Change in prepaids	(3,907)	-	-	(2,191)	(6,098)
Change in inventory	(27,070)	-	-	(68)	(27,138)
Fund balances – end of year	\$ 40,242,818	\$ 43,646,472	\$ 5,717,532	\$ 33,427,046	\$ 123,033,868

See accompanying notes.

**Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities
Year ended September 30, 2019**

Net change in fund balances – total governmental funds	\$ 28,867,420
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.	
Acquisitions of capital assets	15,072,815
Current year depreciation expense	(18,451,346)
Loss on disposition of capital assets	(259,427)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Compensated absences	(708,621)
Net OPEB expense resulting from changes in net OPEB liability and deferred inflows	(739,440)
Net pension expense resulting from changes in net pension liability, deferred outflows and inflows	(17,246,961)
Self-insured workers' compensation	841,200
Revenue earned but not available for use in current operations is not reported as revenue recognized and is deferred in the fund financial statements.	(900,174)
Change in net position of the Internal Service Fund is reported in the statement of activities, but not in the governmental funds.	727,574
Acquisitions of inventory and prepaid items under the purchases method in the governmental funds are treated as expenditures when purchased:	
Change in inventory and prepaids	(33,236)
Change in net position of governmental activities	\$ 7,169,804

See accompanying notes.

**Statement of Net Position – Proprietary Funds
September 30, 2019**

	Business Type Activities - Enterprise Funds			Governmental
	Solid Waste Disposal	Universal Collection Fund	Total	Internal Service Fund
Assets:				
Current assets:				
Cash and equivalents	\$ 3,626,657	\$ 311,344	\$ 3,938,001	\$ 2,281,638
Investments	30,494,133	1,374,834	31,868,967	10,899,473
Receivables, net	190,549	-	190,549	4,699
Due from other governments	12,792	-	12,792	-
Due from other funds	253,237	215,325	468,562	-
Total current assets	34,577,368	1,901,503	36,478,871	13,185,810
Noncurrent assets:				
Restricted investments	171,619	-	171,619	-
Capital assets, net	4,339,565	-	4,339,565	-
Total noncurrent assets	4,511,184	-	4,511,184	-
Total assets	39,088,552	1,901,503	40,990,055	13,185,810
Deferred outflows of resources - pension	379,899	41,793	421,692	-
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	723,714	776,540	1,500,254	1,635
Due to other funds	37	-	37	-
Deposits	219,521	-	219,521	-
Estimated liability for self-insured losses	-	-	-	2,566,379
Current portion of long-term liabilities	203,965	890	204,855	-
Total current liabilities	1,147,237	777,430	1,924,667	2,568,014
Noncurrent liabilities:				
Long-term liabilities	2,966,840	117,854	3,084,694	-
Total liabilities	4,114,077	895,284	5,009,361	2,568,014
Deferred inflows of resources - pension	80,564	8,863	89,427	-
Net position:				
Net investment in capital assets	4,339,565	-	4,339,565	-
Unrestricted	30,934,245	1,039,149	31,973,394	10,617,796
Total net position	\$ 35,273,810	\$ 1,039,149	\$ 36,312,959	\$ 10,617,796

See accompanying notes.

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year ended September 30, 2019

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste Disposal	Universal Collection Fund	Total	Internal Service Fund
Operating revenues				
Charges for services	\$ 10,205,082	\$ 9,012,129	\$ 19,217,211	\$ 18,605,505
Sales	171,664	-	171,664	-
Total operating revenues	10,376,746	9,012,129	19,388,875	18,605,505
Operating expenses				
Personal services	1,376,136	213,874	1,590,010	55,506
Contracted services	-	9,180,768	9,180,768	-
Other operating expenses	8,355,534	207,691	8,563,225	1,265,516
Depreciation	169,813	-	169,813	-
Claims expense	-	-	-	16,782,831
Total operating expenses	9,901,483	9,602,333	19,503,816	18,103,853
Operating income	475,263	(590,204)	(114,941)	501,652
Nonoperating revenues				
Investment revenue	750,462	68,977	819,439	271,710
Franchise fees	1,452,042	-	1,452,042	-
Other	61,742	81,569	143,311	-
Total nonoperating revenues	2,264,246	150,546	2,414,792	271,710
Income before transfers	2,739,509	(439,658)	2,299,851	773,362
Transfers in	82,214	46,012	128,226	-
Transfers out	-	-	-	(45,788)
Change in net position	2,821,723	(393,646)	2,428,077	727,574
Total net position, beginning of year	32,452,087	1,432,795	33,884,882	9,890,222
Total net position, end of year	\$ 35,273,810	\$ 1,039,149	\$ 36,312,959	\$ 10,617,796

See accompanying notes.

Statement of Cash Flows
Proprietary Funds
Year ended September 30, 2019

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste Disposal	Universal Collection Fund	Total	Internal Service Fund
Cash flows from operating activities				
Receipts from customers	\$ 10,427,658	\$ 9,014,004	\$ 19,441,662	\$ 18,705,213
Payments to suppliers	(8,491,435)	(9,333,888)	(17,825,323)	(17,722,740)
Payments to employees	(1,376,136)	(213,874)	(1,590,010)	(55,506)
Net cash provided(used) by operating activities	560,087	(533,758)	26,329	926,967
Cash flows from noncapital financing activities				
Transfers out	149,381	(38,797)	110,584	(45,788)
Nonoperating income	61,742	81,569	143,311	-
Franchise fees received	1,452,042	-	1,452,042	-
Net cash provided by noncapital financing activities	1,663,165	42,772	1,705,937	(45,788)
Cash flows from capital and related financing activities				
Purchase of capital assets	(225,882)	-	(225,882)	-
Cash flows from investing activities				
Net purchases of investments	(2,881,247)	-	(2,881,247)	-
Net proceeds from sale of investments	-	167,553	167,553	329,541
Interest received	750,462	68,977	819,439	271,710
Net cash provided (used) by investing activities	(2,130,785)	236,530	(1,894,255)	601,251
Net increase (decrease) in cash and cash equivalents	(133,415)	(254,456)	(387,871)	1,482,430
Cash and cash equivalents, beginning of year	3,760,072	565,800	4,325,872	799,208
Cash and cash equivalents, end of year	\$ 3,626,657	\$ 311,344	\$ 3,938,001	\$ 2,281,638
Reconciliation of operating income(loss) to net cash provided(used) by operating activities:				
Operating income(loss)	\$ 475,263	\$ (590,204)	\$ (114,941)	\$ 501,652
Depreciation	169,813	-	169,813	-
Changes in assets and liabilities:				
Accounts receivable	107,197	35	107,232	(4,699)
Due from other governments	5,273	1,840	7,113	-
Deferred outflows	129,420	(9,024)	120,396	-
Interfund activity - Internal service	-	-	-	104,407
Accounts payable and accrued liabilities	(18,114)	18,851	737	1,635
Deposits	(61,558)	-	(61,558)	-
Compensated absences	9,067	-	9,067	-
Net pension liability	(79,542)	44,180	(35,362)	-
Landfill postclosure costs	(128,306)	-	(128,306)	-
Estimated liability for self-insured losses	-	-	-	323,972
Deferred inflows	(48,426)	564	(47,862)	-
Net cash provided (used) by operating activities	\$ 560,087	\$ (533,758)	\$ 26,329	\$ 926,967

See accompanying notes.

Clay County, Florida

Statement of Fiduciary Net Position
September 30, 2019

	Agency Funds
<hr/>	
Assets:	
Cash and equivalents	\$ 8,393,000
Receivables	134,654
Due from other funds	-
<hr/>	
Total assets	8,527,654
<hr/>	
Liabilities:	
Assets held for others	8,224,265
Due to other funds	205
Due to other governments	685
Due to other county agencies	302,499
<hr/>	
Total liabilities	8,527,654
<hr/>	
Net position	\$ -
<hr/> <hr/>	

See accompanying notes.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Clay County, Florida (the “County”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

Reporting Entity

The County is a general purpose local government whose charter was established under the legal authority of the Constitution of the State of Florida. It is composed of an elected Board of County Commissioners and elected constitutional officers -- Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections -- that operate as separate county agencies.

The accompanying financial statements present the County as the primary government, and also present its component units, which are entities for which the County is considered to be financially accountable.

Blended Component Units – Although legally separate entities, blended component units are in substance part of the primary government's operations and, accordingly, data from these units, if any, would be combined with the data of the primary government. There are no blended component units included in the accompanying financial statements.

Discretely Presented Component Units – Discretely presented component units, on the other hand, are reported in a separate column in the financial statements to emphasize that they are legally separate entities.

For the Housing Finance Authority of Clay County, Florida (“HFA”), there were positive responses to the criteria used for establishing financial accountability. Accordingly, the HFA has been included in the County’s financial statements as a discretely presented component unit.

The HFA is a dependent special district created by Ordinance 80-19, pursuant to Section 159.604, Florida Statutes. It is responsible for authorizing issuance of housing revenue bonds for the purpose of alleviating a shortage of affordable residential and rental housing facilities, and to provide for capital investment in such facilities for low and moderate income families and persons within the County. The members of the governing board of the HFA are appointed by the Board of County Commissioners who may alter or change the structure, organization, programs, or activities of HFA; terminate the HFA; remove members of the HFA; and review the budget of the HFA.

Complete financial statements for the component unit may be obtained at the entity’s administrative offices:

The Housing Finance Authority of Clay County
PO Box 562
Orange Park, FL 32067-0562

Joint Ventures – The County does not participate in any joint ventures.

Related Organization – The County appoints the voting majority of the Clay County Utility Authority (“Authority”). However, the County is not financially accountable for the Authority and, accordingly, the Authority is not included in the County’s financial reporting entity.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County approves the budget of the Lake Asbury Municipal Service Benefit District (“District”). However, the County is not financially accountable for the District and, accordingly, the District is not included in the County’s financial reporting entity

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of Net Position and the statement of activities) report information on all of the nonfiduciary activities of the County and its component units. 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 charged to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: charges for services that are directly related to a given function; and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements, but all nonmajor funds are aggregated and displayed in a single column. The governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The County reports the following major governmental funds:

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

The Capital Improvement Projects Fund, a capital projects fund, accounts for resources to be used for the construction of various capital projects.

The Sheriff MSTU Fund, a special revenue fund, accounts for resources provided by taxes levied for municipal services.

The County reports the following major enterprise funds:

The Solid Waste Disposal Fund accounts for refuse services that are financed and operated in a manner similar to private business enterprises.

The Universal Collection Fund accounts for the revenues and costs associated with residential refuse collection in unincorporated areas of the County.

Additionally, the County reports the following fiduciary fund type:

Agency funds account for resources held in a purely custodial capacity.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government. The County's internal service fund accounts for County employees' health insurance benefits and claim payments. Although the County's internal service fund is reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Taxes and certain intergovernmental revenues constitute the most significant sources of revenue considered susceptible to accrual. In governmental funds, expenditures are generally recognized when the related liability is incurred. However, debt service expenditures, and expenditures for compensated absences and claims and judgments, are recorded only when payment is due.

Agency fund assets and liabilities are accounted for on the accrual basis.

Cash Equivalents

For purposes of the Statement of Cash Flows, only highly liquid investments with original maturities of three months or less are considered to be cash equivalents.

Investments

Investments are reported at fair value, with the exception of investments in external investment pools that meet all of the necessary criteria to elect to be measured at amortized cost.

Restricted investments represent unspent bond proceeds accumulated in the capital improvements funds, funds restricted for post-closure costs in the solid waste fund, and investments restricted for the various uses of the special revenue funds.

Inventory and Prepaid Items

Inventory is valued at cost under the first-in, first-out method and is accounted for using the purchases method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Nonspendable fund balance is reported in the governmental fund financial statements to indicate that inventories and prepaid items do not represent available spendable resources.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***Accounts Receivable***

Accounts receivable of the County are reported net of an allowance for uncollectible accounts of approximately \$7,127,273.

Receivables for the discretely presented component unit are reported net of an allowance for uncollectible accounts of approximately \$5,081,603.

Capital Assets

Capital assets are valued at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair value on the date donated. The thresholds for capitalizing capital assets are generally as follows:

Tangible personal property	\$ 1,000
Building and building improvements	25,000
Land and land improvements	10,000
Roads	250,000
Subdivisions	250,000
Bridges	100,000
Sidewalks	50,000
Street light systems	100,000
Drainage systems	100,000

Depreciation is calculated using the straight-line method over the following estimated useful lives:

	Years
Governmental activities:	
Buildings and infrastructure	50
Machinery and equipment	5
Computer equipment - greater than \$10,000	5
Computer equipment - less than \$10,000	3
Business-type activities:	
Buildings and improvements	20 - 50
Machinery and equipment	3 - 10

Amortization

Bond discounts, premiums and deferred amounts on refunding are amortized over the life of the bonds using a method that approximates the effective interest method.

Capitalization of Interest Costs

When applicable, for its enterprise operations, the County follows applicable guidelines to determine if interest costs related to construction of fixed assets should be capitalized.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenue

Unearned revenue is reported when the County receives cash payments prior to satisfying all of the eligibility requirements necessary to recognize these payments as revenue. The revenue will be recognized in the fiscal year it is earned. Unearned revenue is reported as a liability in the fund financial statements.

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of resources that applies to a future period and will not be recognized as an outflow of resources (expense or expenditure) until that time.

Deferred inflows of resources represent an acquisition of resources that applies to a future period and will not be recognized as an inflow (revenue) until that time.

Compensated Absences

Personnel policies of the various county agencies allow a limited accumulation and vesting of unused employee vacation and sick leave. A liability is accrued when incurred in the government-wide and enterprise fund financial statements. However, a liability is reported in governmental funds only when payment is due.

Operating Revenues and Expenses

The proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Restricted Net Position

In the accompanying Statement of Net Position, Restricted Net Position is subject to restrictions beyond the County's control. The restriction is either externally imposed (for instance, by creditors, grantors, contributors, or laws/regulations of other governments) or is imposed by law through constitutional provisions or enabling legislation. It is the practice of the County to utilize restricted assets before unrestricted assets.

The accompanying Statement of Net Position includes approximately \$21,300,000 of Net Position restricted by enabling legislation.

Notes to Financial Statements

Fund Balance

The County follows the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

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

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

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

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the County Commission or (b) a body or official to which the County Commission has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. When the components of fund balance can be used for the same purpose, it is the County’s policy to expend resources in the following order: restricted, committed, assigned, and unassigned.

Property Taxes

In governmental funds, property tax revenues are recognized when levied, to the extent that they result in current receivables. Details of the property tax calendar are presented below:

Lien Date	January 1
Levy Date	October 1
Discount Period	November – February
No Discount Period	March
Delinquent Date	April 1

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits with Financial Institutions

All of the County's deposits and those of its discretely presented component unit, The Housing Finance Authority of Clay County's ("HFA"), are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, and, accordingly, are entirely insured by federal depository insurance or collateralized pursuant to the Florida Security for Public Deposits Act.

Investments

The County invests excess public funds pursuant to the guidelines established in Section 218.415, Florida Statutes. Accordingly, the County is authorized to invest excess public funds in the following instruments: The Local Government Investment Pool ("State Pool") or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating; savings accounts and certificates of deposit in qualified public depositories; and direct obligations of the U.S. Treasury.

Housing Finance Authority of Clay County Investments

HFA's investment policy allows it to invest excess public funds pursuant to the guidelines established in Section 218.415, Florida Statutes and in mortgage backed securities which HFA may receive as a result of refunding one of its bond programs.

HFA's investments at September 30, 2019 consist of mortgage backed securities, reported at fair value of \$1,141,425. These investments have a credit quality rating of AAA and a weighted average maturity of 9 years.

County Investments

The County's investments at September 30, 2019 are summarized in the following table:

Fund	Amount
Florida PRIME	\$ 93,035,549
Florida SAFE	31,884,100
Florida Local Government Investment Trust	112,062
Total	\$ 125,031,711

Notes to Financial Statements

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Florida Surplus Asset Trust Fund (Florida SAFE)

Florida SAFE is organized pursuant to Florida Statute 163.01. Florida SAFE is overseen by a Board of Trustees comprised of Florida local government officials, who are themselves participants in Florida SAFE. Florida SAFE is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the County's investment in Florida SAFE is reported at amortized cost. Florida SAFE seeks, but does not guarantee to maintain a constant net asset value at \$1.00 per share.

Florida SAFE had a credit quality rating at September 30, 2019 of AAAM. The weighted average maturity (WAM) for Florida SAFE at September 30, 2019 was 50 days.

There were no redemption fees or maximum transaction amounts. The Fund's Indenture of Trust does provide for limited situations in which a participant's access to 100% of the account value is restricted. The Trustees have the authority to resume participant access to the Fund when the situation causing the restriction has been resolved.

Investment in State Pool (Florida PRIME)

The County invests surplus funds in the State Board of Administration's Local Government Surplus Funds Trust Fund. The Florida PRIME is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. The powers and duties of the SBA are defined in Florida Statute 218.409. In addition, Chapter 19-7 of the Florida Administrative Code identifies the rules and regulations governing the administration of the Florida PRIME. These rules provide guidance and establish the general operating procedures for the administration of the pool.

The Florida PRIME is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the County's investment in the Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. The Florida PRIME had a credit quality rating at September 30, 2019 of AAAM. The weighted average maturity (WAM) of the Florida PRIME at September 30, 2019 was 86 days.

Florida "PRIME" was not exposed to any foreign currency risk during the period October 1, 2018 through September 30, 2019.

As of September 30, 2019, there were no redemption fees or maximum transaction amounts. Florida Statutes do provide for situations in which a participant's access to 100 percent of the account value is limited.

Florida Local Government Investment Trust (FLGIT)

FLGIT is an external investment pool administered by the Florida Association of Court Clerks and Comptrollers, and is not registered with the SEC. The Trust is an open-ended professionally managed fund available only to public entities in Florida. The fair value of the position in the FLGIT is equal to the value of the pool shares. Such investments are reported at fair value. FLGIT had a credit quality rating of AAAM and a weighted average maturity (WAM) for Florida FLGIT at September 30, 2019 was 30 days.

Notes to Financial Statements

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Risks

The County and HFA are exposed to the following risks associated with its investment portfolios:

Credit Risk – the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The County's policy is to limit credit risk by diversifying the investment portfolio so that potential loss on individual securities will be minimized and by limiting investments to specified credit ratings.

Interest Rate Risk – the risk that changes in interest rates will adversely affect the fair value of an investment.

The County's policy is to minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by limiting investment to those intended to maintain a constant share price or par value.

Investments and Fair Value Measurements

For the County's and HFA's investments that are measured at fair value, HFA's mortgage backed securities and the County's investment in FLGIT, the values are determined using guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered hierarchy as follows:

- Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets that a government can access at measurement date.
- Level 2 – Investments reflect prices that are based on inputs, other than quoted prices included within Level 1, that are observable for an asset, either directly or indirectly.
- Level 3 – Investments that are based on unobservable inputs for an asset.

Using the above guidelines all of the County's and HFA's investments that are measured at fair value are valued using Level 2 inputs.

NOTE 3 – INTERFUND BALANCES AND TRANSFERS

At September 30, 2019, interfund balances consisted of:

	Due to						
	General Fund	Capital Improvements	Sheriff MSTU	Nonmajor Governmental	Solid Waste Disposal	Universal Collection	Total Due from
<u>Due from</u>							
General fund	\$ -	\$ -	\$ 684,443	\$ 159,686	\$ 170,400	\$ 215,277	\$ 1,229,806
Capital Improvements	-	-	-	4,000	-	-	4,000
Nonmajor governmental	761,088	225,922	-	370,727	81,770	-	1,439,507
Solid Waste Disposal	37	-	-	-	-	-	37
Agency Funds	90,556	-	1,609	209,424	1,067	48	302,704
<u>Total Due to</u>	<u>\$ 851,681</u>	<u>\$ 225,922</u>	<u>\$ 686,052</u>	<u>\$ 743,837</u>	<u>\$ 253,237</u>	<u>\$ 215,325</u>	<u>\$ 2,976,054</u>

Notes to Financial Statements

NOTE 3 – INTERFUND BALANCES AND TRANSFERS (CONTINUED)

The interfund balances resulted from the normal course of operations and are expected to be paid within one year.

Interfund transfers are summarized below:

	Transfer Out					Total Transfer In
	General Fund	Capital Improvement Projects	Sheriff MSTU	Nonmajor Governmental	Internal Service Fund	
Transfer in						
General fund	\$ -	\$ -	\$ 16,756,048	\$ 1,601,512	\$ 45,788	\$ 18,403,348
Capital improvement projects	-	-	-	226,374	-	226,374
Sheriff MSTU	684,443	-	-	-	-	684,443
Nonmajor governmental	925,577	1,548,638	-	1,092,413	-	3,566,628
Solid waste disposal	82,214	-	-	-	-	82,214
Universal collection	46,012	-	-	-	-	46,012
Total transfer out	\$ 1,738,246	\$ 1,548,638	\$ 16,756,048	\$ 2,920,299	\$ 45,788	\$ 23,009,019

The transfer out of the Sheriff MSTU Fund resulted from the transfer of revenue, collected on behalf of the Sheriff, to the General Fund of the Sheriff. All other transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

NOTE 4 – FUND BALANCE CLASSIFICATIONS

Fund balance is restricted for the following purposes:

	General Fund	Capital Improvement Projects	Sheriff MSTU	Other Governmental Funds	Total
Capital projects	\$ -	\$ 43,646,472	\$ -	\$ 2,142,733	\$ 45,789,205
Public safety	-	-	5,717,532	10,842,535	16,560,067
Transportation	-	-	-	3,922,400	3,922,400
Economic environment	-	-	-	5,186,754	5,186,754
Culture and recreation	-	-	-	1,362,673	1,362,673
Human services	-	-	-	13,090	13,090
Court related	-	-	-	8,556,381	8,556,381
Municipal services	-	-	-	1,389,313	1,389,313
Election grants	163,708	-	-	-	163,708
Total restricted fund balance	\$ 163,708	\$ 43,646,472	\$ 5,717,532	\$ 33,415,879	\$ 82,943,591

In the General Fund, fund balance of \$25,809,299 is assigned for subsequent year's expenditures of the Board of County Commissioners and \$6,409,029 is assigned for public safety-law enforcement.

Notes to Financial Statements

NOTE 5 – CAPITAL ASSETS

A summary of changes in capital assets follows:

Governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 97,800,443	\$ 51,156	\$ 222,156	\$ 97,629,443
Construction in progress	20,272,632	6,703,003	23,761,734	3,213,901
Total capital assets not being depreciated	118,073,075	6,754,159	23,983,890	100,843,344
Capital assets being depreciated:				
Buildings and improvements	115,255,030	884,002	-	116,139,032
Machinery and equipment	60,358,028	7,784,792	3,801,423	64,341,397
Infrastructure	298,448,780	23,411,596	-	321,860,376
Total capital assets being depreciated	474,061,838	32,080,390	3,801,423	502,340,805
Less accumulated depreciation for:				
Buildings and improvements	50,374,546	2,718,315	-	53,092,861
Machinery and equipment	48,216,308	5,249,124	3,764,152	49,701,280
Infrastructure	122,631,608	10,483,907	-	133,115,515
Total accumulated depreciation	221,222,462	18,451,346	3,764,152	235,909,656
Total capital assets being depreciated, net	252,839,376	13,629,044	37,271	266,431,149
Total governmental activities, net	\$ 370,912,451	\$ 20,383,203	\$ 24,021,161	\$ 367,274,493

Business-type activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 877,750	\$ -	\$ -	\$ 877,750
Capital assets being depreciated:				
Buildings and improvements	5,630,377	116,950	-	5,747,327
Machinery and equipment	1,565,223	108,931	144,443	1,529,711
Total capital assets being depreciated	7,195,600	225,881	144,443	7,277,038
Less accumulated depreciation for:				
Buildings and improvements	2,516,669	62,991	-	2,579,660
Machinery and equipment	1,273,185	106,821	144,443	1,235,563
Total accumulated depreciation	3,789,854	169,812	144,443	3,815,223
Total capital assets being depreciated, net	3,405,746	56,069	-	3,461,815
Total business-type activities, net	\$ 4,283,496	\$ 56,069	\$ -	\$ 4,339,565

Notes to Financial Statements

NOTE 5 – CAPITAL ASSETS (CONTINUED)

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

Governmental activities:

General government	\$ 3,207,383
Public safety	3,668,447
Transportation	11,143,810
Human services	163,536
Culture and recreation	136,932
Court costs	121,033
Physical environment	10,205
Total depreciation expense	\$ 18,451,346

Business-type activities:

Solid waste	\$ 169,812
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NOTE 6 – LONG-TERM LIABILITIES

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated absences	14,045,555	9,581,297	8,872,676	14,754,176	5,517,000
Net pension liability	109,914,140	15,759,732	-	125,673,872	361,864
Net OPEB liability	30,783,713	-	171,882	30,611,831	-
Governmental activity long-term liabilities	\$ 154,743,408	\$ 25,341,029	\$ 9,044,558	\$ 171,039,879	\$ 5,878,864
Business-type activities:					
Compensated absences	\$ 241,864	\$ 123,885	\$ 114,818	\$ 250,931	\$ 24,300
Net pension liability	1,233,496	-	35,362	1,198,134	8,936
Landfill postclosure care costs	1,968,790	-	128,306	1,840,484	171,619
Business-type activity long-term liabilities	\$ 3,444,150	\$ 123,885	\$ 278,486	\$ 3,289,549	\$ 204,855

Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closures. Although postclosure care costs will be paid only near the end or after the date landfills stop accepting waste, the County reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each financial statement date. As of September 30, 2019, each of the County landfill sites have reached full capacity. The \$1,840,484 reported as landfill postclosure care liability at September 30, 2019, represents the estimated remaining obligation for postclosure care costs for the landfill sites. Actual costs may differ due to inflation, deflation, technology, or changes in applicable laws or regulations. The estimate for post closure care costs is updated annually.

The County has restricted resources in the amount of \$171,619 to provide for this liability in accordance with the regulations of the Florida Department of Environmental Protection.

Notes to Financial Statements

NOTE 7 – STATE OF FLORIDA PENSION PLANS***Defined Benefit Plans***

The County participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees and surviving beneficiaries of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Notes to Financial Statements

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2019, were as follows:

	FRS	HIS
Regular class	6.81%	1.66%
Special risk class	23.82%	1.66%
Senior management service class	23.75%	1.66%
Elected officials	47.16%	1.66%
DROP from FRS	12.94%	1.66%

The employer's contributions for the year ended September 30, 2019, were \$8,601,126 to the FRS Pension Plan and \$1,092,132 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2019, the County reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2019. The County's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability	\$ 105,016,062	\$ 21,855,944
Proportion at:		
Current measurement date	0.3049%	0.1953%
Prior measurement date	0.3006%	0.1945%
Pension expense	\$ 26,298,912	\$ 1,778,113

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Notes to Financial Statements

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,228,804	\$ (65,172)	\$ 265,465	\$ (26,761)
Changes of assumptions	26,972,643	-	2,530,712	(1,786,327)
Net difference between projected and actual earnings on pension plan investments	-	(5,810,037)	14,103	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,054,157	(1,627,760)	926,559	(456,097)
Employer contributions subsequent to the measurement date	2,505,420	-	276,408	-
Total	\$ 39,761,024	\$ (7,502,969)	\$ 4,013,247	\$ (2,269,185)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2019. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30,	FRS	HIS
2020	\$ 10,643,962	\$ 530,625
2021	3,809,739	456,470
2022	7,517,285	288,696
2023	5,655,037	(75,988)
2024	1,526,097	83,735
Thereafter	600,514	184,115
Total	\$ 29,752,634	\$ 1,467,653

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2019. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2019. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2018 and using standard actuarial roll forward procedures to develop the liability at June 30, 2019. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.60%	2.60%
Salary increases	3.25%	3.25%
Investment rate of return	6.90%	N/A
Discount rate	6.90%	3.50%

Notes to Financial Statements

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Mortality assumptions for the FRS Pension Plan were based on PUB2010 base tables projected generationally with Scale MP-2018. Mortality assumptions for the HIS Program were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2019:

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

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

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

Asset Class	Target Allocation	Annual Arithmetic Return	Annual (Geometric) Return
Cash	1%	3.3%	3.3%
Fixed income	18%	4.1%	4.1%
Global equity	54%	8.0%	6.8%
Real estate	10%	6.7%	6.1%
Private equity	11%	11.2%	8.4%
Strategic investments	6%	5.9%	5.7%
	100%		

Discount Rate

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

Notes to Financial Statements

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.83% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	Current Discount			Current Discount		
	1% Decrease (5.90%)	Rate (6.90%)	1% Increase (7.90%)	1% Decrease (2.50%)	Rate (3.50%)	1% Increase (4.50%)
Employer's proportionate share of the net pension liability	\$ 181,537,801	\$ 105,016,062	\$ 41,107,466	\$ 24,949,681	\$ 21,855,944	\$ 19,279,212

Pension Plans' Fiduciary Net Position

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

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2019, totaled \$2,020,629.

NOTE 8 – OTHER POSTEMPLOYMENT BENEFIT PLAN***Plan Description***

The County administers a single employer defined benefit plan for postemployment benefits other than pension benefits ("OPEB Plan"). The OPEB Plan provides post-employee life insurance benefits and a health insurance subsidy for retirees and eligible dependents.

The life insurance benefit is provided to retirees at a rate comparable to current employees. The employee contribution rate for life insurance was increased from \$.99 monthly per \$1,000 of coverage to \$1.45 monthly per \$1,000 of coverage effective January 1, 2017. Eligible retired employees who retired prior to October 1, 1998 receive a decreasing amount of coverage based upon age. Retirees under the age of 65 receive the maximum \$10,000 of coverage decreasing to \$1,500 of coverage after age 79.

Notes to Financial Statements

NOTE 8 – OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Eligible employees who retired between October 1, 1998 and October 1, 1999 receive a fixed coverage amount of \$10,000. Eligible employees who retired after October 1, 1999 receive a fixed coverage amount of \$20,000.

The County provides health care coverage through its self-insurance plan administered by Blue Cross Blue Shield of Florida for retired employees of the Board of Constitutional Officers. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for the County and have provided six or more years of service.

During 2010, the County amended its OPEB plan. The amendment stabilized the County's portion of retiree health insurance costs, thus making the retiree responsible for future cost increases.

Participants

As of September 1, 2017, the date of the latest actuarial valuation, plan participation consisted of 1,029 active employees and 447 retirees receiving benefits. A separate stand-alone financial statement is not prepared for the OPEB Plan.

Contributions

The contribution requirements of the plan members and the County are established and may be amended by the Clay County Board of County Commissioners. A trust has not been established. Contributions are being made based on pay-as-you-go financing requirements.

Total OPEB Liability

The County's net OPEB liability of \$30,611,831 was measured as of September 1, 2017, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the September 1, 2017 actuarial valuation was determined using the entry age normal funding method, calculated on an individual basis with level percentage of pay, and the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.2%
Rate of Growth in Real Income/GDP per capita	1.6%
Income Multiplier for Health Spending	1.3
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2075
Mortality	RP-2000 Fully Generational Combined Healthy Table with Scale BB
Healthcare cost trend rates	5.4% is the initial rate. The rate in 2090 is 3.9%

The discount rate was based on the 20-year GO Bond index of 3.83% as of September 30, 2018.

Notes to Financial Statements

NOTE 8 – OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/18	\$ 30,783,713
Changes for the year:	
Service cost	1,331,224
Interest	1,054,005
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(1,218,542)
Benefit payments	(1,338,569)
Net changes	(171,882)
Balance at 9/30/19	\$ 30,611,831

There were no changes of benefit terms.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50% to 3.83%.

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

The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1.00% higher or 1.00% lower than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	(2.83%)	(3.83%)	(4.83%)
Total OPEB liability	\$ 34,544,536	\$ 30,611,831	\$ 27,325,275

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1.00% higher or 1.00% lower than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
	(2.90%)	(3.90%)	(4.90%)
Total OPEB liability	\$ 26,825,533	\$ 30,611,831	\$ 35,319,579

Notes to Financial Statements

NOTE 8 – OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

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

For the year ended September 30, 2019, the County recognized an OPEB expense of \$2,078,009. At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	2,285,929
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contribution subsequent to the measurement date	-	-
Total	\$ -	\$ 2,285,929

Amount reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date, if any, will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending September 30,	
2020	\$ (307,220)
2021	(307,220)
2022	(307,220)
2023	(307,220)
2024	(307,220)
Thereafter	(749,829)
Total	\$ (2,285,929)

Notes to Financial Statements

NOTE 9 – RISK MANAGEMENT***Commercial Insurance***

The County carries commercial insurance for certain risks, including health insurance. There were no significant reductions in insurance coverage during 2019. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Self-Insurance – Workers’ Compensation

The County has a self-insurance program for its workers’ compensation insurance. The activities of the self-insurance program are administered by a third party and are accounted for in the County’s General Fund. The County retains losses up to \$550,000 at which point commercial stop loss insurance begins covering claims.

In the government-wide financial statements, the County has reported an estimated liability for self-insured losses of \$1,498,100. The estimated liability for self-insured losses is based on reported claims, historical loss data, industry statistics for incurred but not reported claims, and a valuation performed by an independent actuary.

The change in the estimated liability for self-insured losses is as follows:

Year Ended	Beginning of Year Liability	Claims Incurred	Claims Paid	End of Year Liability
2017	\$ 1,500,000	\$ 2,493,600	\$ 2,103,700	\$ 1,889,900
2018	1,889,900	1,826,300	1,376,900	2,339,300
2019	2,339,300	538,800	1,380,000	1,498,100

Self-Insurance – Health and Disability

The County is exposed to various risks of loss related to employee health, and short-term disability claims for which it is self-insured. An excess coverage insurance policy covers claims in excess of \$250,000.

Liabilities are reported if information prior to the issuance of the financial statements indicate that it is probable that a loss has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated, including an estimate for those claims incurred but not reported (IBNRs).

This estimate is based on historical experience and current trends, and is reported at current dollar value in the County’s health insurance internal service fund.

Notes to Financial Statements

NOTE 9 – RISK MANAGEMENT (CONTINUED)

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

Year Ended	Beginning of Year Liability	Claims Incurred	Claims Paid	End of Year Liability
2017	\$ 1,743,092	\$ 13,984,795	\$ 13,679,849	\$ 2,048,038
2018	2,048,038	15,202,991	15,008,622	2,242,407
2019	2,242,407	16,782,831	16,458,859	2,566,379

NOTE 10 – OPERATING LEASES

The County has executed several leases that are classified as operating leases. The total cost for 2019 was approximately \$340,775.

The future minimum lease payments under these leases are approximately as follows:

Year Ending September 30,	Amount
2020	\$ 306,682
2021	170,602
2022	77,748
2023	70,531
2024	64,217
Thereafter	92,718
Total	\$ 782,498

NOTE 11 – CONTINGENT LIABILITIES

The County is sometimes involved in litigation in the normal course of operations. It is the opinion of management and the County's attorney that any unrecorded, uninsured claims resulting from such litigation would not be material in relation to the County's financial condition.

NOTE 12 – SUBSEQUENT EVENTS

In March 2020, the County issued Sales Surtax Revenue Bonds Series 2020 with a par value of \$103,420,000 and an original issue premium of \$26,291,031.75. The bonds were issued to finance the acquisition and construction of certain roadway and other capital improvements for the County and pay the costs of issuance of the Series 2020 Bonds. Interest on the Series 2020 Bonds will be payable on October 1, 2020, and semiannually thereafter on April 1 and October 1 of each year. The bonds mature in 2039 bearing interest rates ranging from 4.0 to 5.0 percent.

Notes to Financial Statements

NOTE 12 – SUBSEQUENT EVENTS (CONTINUED)

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be 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 duration and spread of the virus, (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.

Although the County anticipates significant negative impacts affecting all revenue streams going forward, including revenues pledged to secure this bond series, such impacts are not currently expected to impair the County's ability to service its debt.

NOTE 13 – FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued statements that will become effective in the future. The statements address:

- Fiduciary activities (Statement No. 84); and
- Majority equity interests (Statement No. 90).

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

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$64,966,065	\$64,966,065	\$ 62,996,721	\$ (1,969,344)
Licenses and permits	11,780	11,780	11,204	(576)
Intergovernmental	29,558,482	30,296,706	29,854,167	(442,539)
Charges for services	9,981,505	10,014,527	12,728,743	2,714,216
Fines and forfeitures	500	500	54,940	54,440
Miscellaneous	1,345,200	1,350,200	3,294,255	1,944,055
Total revenues	105,863,532	106,639,778	108,940,030	2,300,252
Expenditures:				
Current:				
County commissioners	732,563	732,563	602,176	130,387
County manager	616,045	794,786	460,158	334,628
Public information officer	-	26,259	24,620	1,639
Human resources	444,089	469,089	395,329	73,760
Risk manager	3,652,304	3,653,405	3,426,304	227,101
MIS department	2,633,735	3,112,435	2,608,337	504,098
Health department	849,862	849,862	836,465	13,397
County auditor	149,289	166,444	158,394	8,050
County comptroller	1,589,191	1,589,191	1,290,260	298,931
Budget director	222,562	222,562	200,514	22,048
Purchasing	421,591	421,591	416,886	4,705
County attorney	872,233	869,728	697,947	171,781
Sheriff	56,242,937	56,242,937	52,524,506	3,718,431
Property appraiser	3,180,348	3,181,628	3,028,830	152,798
Tax collector	5,307,144	5,129,173	5,126,990	2,183
Board of tax adjustment	80,000	80,000	65,818	14,182
Clerk of court	2,745,294	2,828,183	2,465,508	362,675
Filing fee costs	5,000	5,000	1,440	3,560
Circuit court	77,839	77,839	75,839	2,000
Juvenile detention	564,000	564,000	520,237	43,763
County court	21,300	21,300	16,048	5,252
State attorney	30,300	30,300	850	29,450
Supervisor of elections	2,109,723	2,102,572	1,800,111	302,461
Building maintenance	4,314,782	4,314,782	3,371,231	943,551
Historical commission	7,500	7,500	3,990	3,510
Blight Remediation	-	50,000	27,463	22,537
Veterans service officer	91,558	91,558	65,452	26,106
Council on aging	541,370	289,820	228,306	61,514
Aging true	-	300,691	237,719	62,972
Economic development	121,186	121,186	98,261	22,925
Keystone CRA	53,500	53,879	53,879	-
Medical examiner	850,000	850,000	717,825	132,175
Emergency medical services	15,750,794	15,867,945	15,289,411	578,534
Public safety administration	1,796,755	1,796,755	1,568,743	228,012
Emergency management	232,285	231,535	193,309	38,226
Emergency management grant	965,102	1,194,692	253,685	941,007
JTA services	-	218,859	171,868	46,991
Environmental cleanup	20,000	20,000	5,251	14,749
Aid to private organizations	290,612	290,612	288,854	1,758

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original			
Hospital Services	150,000	150,000	29,399	120,601
Public assistance services	2,863,037	2,901,290	2,597,525	303,765
Animal services	1,461,759	1,461,759	1,322,741	139,018
Parks and recreation	3,110,028	3,143,066	1,995,587	1,147,479
Parks and recreation grant	100,000	81,140	-	81,140
Libraries administration	2,021,581	2,003,118	1,829,645	173,473
Orange Park library	739,857	740,657	611,037	129,620
Green Cove Springs library	336,214	336,940	294,746	42,194
Keystone Heights library	282,669	283,449	244,235	39,214
Middleburg library	293,061	293,637	275,606	18,031
Library headquarters	622,257	623,019	545,851	77,168
Extension services/agriculture	535,028	535,028	527,176	7,852
Soil and water conservation	2,000	2,000	1,775	225
Transit Authority	78,000	78,000	70,802	7,198
Fleet/fuel management	2,902,186	2,906,948	2,352,986	553,962
Capital outlay	995,413	1,172,941	877,229	295,712
Sweat Program	416,239	666,239	178,092	488,147
Black Creek Hills MSBU	11,849	15,304	10,895	4,409
Disaster Recovery	1,500,000	2,000,000	139,658	1,860,342
Contingencies	14,362,254	17,252,287	-	17,252,287
Total expenditures	140,366,225	145,517,483	113,223,799	32,293,684
Excess of revenues over (under) expenditures	(34,502,693)	(38,877,705)	(4,283,769)	34,593,936
Other financing sources (uses)				
Transfers in	18,893,893	18,930,241	18,403,348	(526,893)
Transfers out	-	27,614	(1,738,246)	(1,765,860)
Total other financing sources (uses)	18,893,893	18,957,855	16,665,102	(2,292,753)
Net change in fund balances	(15,608,800)	(19,919,850)	12,381,333	32,301,183
Fund balances – beginning of year	17,228,426	21,498,924	27,892,462	6,393,538
Fund balances – end of year	\$ 1,619,626	\$ 1,579,074	\$ 40,273,795	\$ 38,694,721

Note to Budgetary Comparison Schedules:

The preparation, adoption and amendments of the budgets are governed by Florida Statutes and County policy. The County Manager can authorize budget transfers within, but not between, divisions provided that the total of that division's budgeted appropriation does not change. The division is the legal level of control. Budgets are prepared and adopted on a basis that does not differ materially from generally accepted accounting principles. Appropriations lapse at year-end.

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Sheriff MSTU
Year ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 21,684,561	\$ 21,684,561	\$ 20,887,085	\$ (797,476)
Intergovernment	-	27,991	-	-
Miscellaneous	50,000	50,000	199,053	149,053
Total revenues	21,734,561	21,762,552	21,086,138	(676,414)
Expenditures:				
Current:				
Public safety	2,875,897	2,875,897	2,643,573	232,324
Contingencies	3,970,382	4,390,452	-	4,390,452
Total expenditures	6,846,279	7,266,349	2,643,573	4,622,776
Excess of revenues over expenditures	14,888,282	14,496,203	18,442,565	3,946,362
Other financing sources (uses)				
Transfers in	-	-	684,443	684,443
Transfers out	(16,728,055)	(16,756,046)	(16,756,048)	(2)
Total other financing sources (uses)	(16,728,055)	(16,756,046)	(16,071,605)	684,441
Net change in fund balances	(1,839,773)	(2,259,843)	2,370,960	4,630,803
Fund balances – beginning of year	1,839,773	2,259,843	3,346,572	1,086,729
Fund balances – end of year	\$ -	\$ -	\$ 5,717,532	\$ 5,717,532

Note to Budgetary Comparison Schedules:

The preparation, adoption and amendments of the budgets are governed by Florida Statutes and County policy. The County Manager can authorize budget transfers within, but not between, divisions provided that the total of that division's budgeted appropriation does not change. The division is the legal level of control. Budgets are prepared and adopted on a basis that does not differ materially from generally accepted accounting principles. Appropriations lapse at year-end.

**Schedules of Changes in the County's OPEB Liability and Related Ratios
For the Year ended September 30, 2019
Last 10 Fiscal Years**

	2018	2019
Service cost	\$ 1,382,673	\$ 1,331,224
Interest	953,847	1,054,005
Changes in benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	(1,546,433)	(1,218,542)
Benefit payments	(1,551,238)	(1,338,569)
Net change in total OPEB liability	\$ (761,151)	\$ (171,882)
Total OPEB liability - beginning	31,544,864	30,783,713
Total OPEB liability - ending	\$ 30,783,713	\$ 30,611,831

Notes to schedules:

- 1) GASB Statement No. 75 was implemented in 2018. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.
- 2) There were no change of benefit terms.
- 3) Changes in assumptions or other inputs reflect a change in the discount rate from 3.10% in 2017 to 3.50% in 2018 and 3.83% in 2019.
- 4) This OPEB plan does not depend on salary, thus there is no salary information.

**Schedules of Proportionate Share of Net Pension Liability
Last 10 Fiscal Years (1)**

Florida Retirement System	2015	2016	2017	2018	2019
Employer's proportion of the net pension liability (asset)	0.2726%	0.2992%	0.2984%	0.3006%	0.3049%
Employer's proportionate share of the net pension liability (asset)	\$ 35,215,863	\$ 75,540,039	\$ 88,271,508	\$ 90,557,131	\$ 105,016,062
Employer's covered payroll (2)	\$ 56,882,338	\$ 48,743,295	\$ 50,852,784	\$ 63,499,863	\$ 62,400,224
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	61.91%	154.98%	173.58%	142.61%	168.29%
Plan fiduciary net position as a percentage of the total pension liability	92.00%	84.88%	83.89%	84.26%	82.61%
Health Insurance Subsidy Program	2015	2016	2017	2018	2019
Employer's proportion of the net pension liability (asset)	0.1885%	0.1914%	0.1907%	0.1945%	0.1953%
Employer's proportionate share of the net pension liability (asset)	\$ 19,224,289	\$ 22,305,264	\$ 20,388,690	\$ 20,590,505	\$ 21,855,944
Employer's covered payroll (2)	\$ 56,882,338	\$ 48,743,295	\$ 50,852,784	\$ 63,499,863	\$ 62,400,224
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	33.80%	45.76%	40.09%	32.43%	35.03%
Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.97%	1.64%	2.15%	2.63%

Notes to schedules:

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

(2) Covered payroll includes defined benefit activities, investment plan members, and members in DROP.

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

**Schedules of Employer Contributions - Pension
Last 10 Fiscal Years**

Florida Retirement System	2015	2016	2017	2018	2019
Contractually required contribution	\$ 6,827,284	\$ 7,295,678	\$ 6,908,382	\$ 8,724,779	\$ 8,601,126
Contributions in relation to the contractually required contribution	6,827,284	7,295,678	6,908,382	8,724,779	8,601,126
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll (1)	\$ 57,363,328	\$ 48,366,205	\$ 50,488,806	\$ 63,447,660	\$ 63,409,727
Contributions as a percentage of covered payroll	11.90%	15.08%	13.68%	13.75%	13.56%
Health Insurance Subsidy Program	2015	2016	2017	2018	2019
Contractually required contribution	\$ 790,040	\$ 980,976	\$ 1,010,661	\$ 1,054,938	\$ 1,092,132
Contributions in relation to the contractually required contribution	790,040	980,976	1,010,661	1,054,938	1,092,132
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll (1)	\$ 57,363,328	\$ 48,366,205	\$ 50,488,806	\$ 63,447,660	\$ 63,409,727
Contributions as a percentage of covered payroll	1.38%	2.03%	2.00%	1.66%	1.72%

Notes to schedules:

(1) Covered payroll includes defined benefit plan activities, investment plan members, and members in DROP. GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

Supplemental Information

Clay County, Florida
Combining Balance Sheet - Board and Officers General Funds
September 30, 2019

	Board of County Commissioners	BCC Fine and Forfeiture	Sheriff	Clerk of Court	Property Appraiser	Tax Collector	Supervisor of Elections	Eliminations	Combined General Fund
Assets:									
Cash and equivalents	\$ 6,354,654	\$ 37,259	\$ 5,485,780	\$ 161,666	\$ 195,028	\$ 1,599,660	\$ 314,104	\$ -	\$ 14,148,151
Investments	23,612,563	4,445,487	-	-	-	-	-	-	28,058,050
Due from other funds	2,504,271	1,807,803	14,487	-	-	-	-	(3,474,880)	851,681
Due from other governments	1,342,206	166,670	51,249	4,680	-	-	-	-	1,564,805
Receivables	6,618,829	73,431	63,279	-	-	-	-	-	6,755,539
Prepaid	-	-	-	18,092	-	-	-	-	18,092
Inventory	122,559	-	287,642	-	-	-	-	-	410,201
Total assets	\$ 40,555,082	\$ 6,530,650	\$ 5,902,437	\$ 184,438	\$ 195,028	\$ 1,599,660	\$ 314,104	\$ (3,474,880)	\$ 51,806,519
Liabilities:									
Accounts payable	\$ 3,701,542	\$ 121,621	\$ 3,154,115	\$ 73,856	\$ 35,724	\$ -	\$ 41,755	\$ -	\$ 7,128,613
Due to other funds	294,805	-	2,449,800	109,128	156,551	1,585,761	108,641	(3,474,880)	1,229,806
Due to other governments	68,351	-	10,880	-	2,753	13,899	-	-	95,883
Unearned revenues	-	-	-	-	-	-	-	-	-
Total liabilities	4,064,698	121,621	5,614,795	182,984	195,028	1,599,660	150,396	(3,474,880)	8,454,302
Deferred inflow of resources:									
Unavailable revenue	3,109,399	-	-	-	-	-	-	-	3,109,399
Fund balances:									
Nonspendable:									
Prepays	-	-	-	18,092	-	-	-	-	18,092
Inventory	122,559	-	287,642	-	-	-	-	-	410,201
Restricted	-	-	-	-	-	-	163,708	-	163,708
Assigned	25,809,299	6,409,029	-	-	-	-	-	-	32,218,328
Unassigned	7,449,127	-	-	(16,638)	-	-	-	-	7,432,489
Total fund balances	33,380,985	6,409,029	287,642	1,454	-	-	163,708	-	40,242,818
Total liabilities, deferred inflow of resources and fund balances	\$ 40,555,082	\$ 6,530,650	\$ 5,902,437	\$ 184,438	\$ 195,028	\$ 1,599,660	\$ 314,104	\$ (3,474,880)	\$ 51,806,519

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Board of County Commissioners			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 30,292,111	\$ 30,292,111	\$ 29,600,757	\$ (691,354)
Licenses and permits	11,780	11,780	11,204	(576)
Intergovernmental	26,990,664	27,651,450	27,214,392	(437,058)
Charges for services	6,696,297	6,696,297	7,816,574	1,120,277
Fines and forfeitures	500	500	5,550	5,050
Miscellaneous	1,302,700	1,303,700	2,667,058	1,363,358
Sales	-	-	-	-
Total revenues	65,294,052	65,955,838	67,315,535	1,359,697
Expenditures:				
Current:				
General government	21,235,628	21,948,428	18,551,866	3,396,562
Public safety	21,658,936	22,554,927	18,710,331	3,844,596
Physical environment	568,877	572,332	545,097	27,235
Transportation	2,980,186	2,984,948	2,423,788	561,160
Economic development	266,244	266,623	217,592	49,031
Human services	6,156,640	6,462,893	5,712,877	750,016
Culture and recreation	7,513,167	7,512,526	5,800,697	1,711,829
Court costs	550,678	800,678	272,269	528,409
Capital outlay	980,413	1,157,941	866,945	290,996
Contingencies	14,362,254	17,252,287	-	17,252,287
Total expenditures	76,273,023	81,513,583	53,101,462	28,412,121
Excess of revenues over (under) expenditures	(10,978,971)	(15,557,745)	14,214,073	29,771,818
Other financing sources (uses)				
Transfers in	2,806,804	2,841,894	2,950,062	108,168
Transfers out	(5,410,233)	(5,430,008)	(5,354,149)	75,859
Total other financing sources (uses)	(2,603,429)	(2,588,114)	(2,404,087)	184,027
Net change in fund balances	(13,582,400)	(18,145,859)	11,809,986	29,955,845
Fund balances – beginning of year	13,582,400	18,145,859	21,570,999	3,425,140
Change in prepaids	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	\$ -	\$ -	\$ 33,380,985	\$ 33,380,985

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Sheriff			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	137,070	137,070
Total revenues	-	-	137,070	137,070
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	46,416,246	46,416,246	44,502,190	1,914,056
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	1,563,951	1,563,951	1,489,796	74,155
Capital outlay	1,007,754	1,007,754	800,189	207,565
Contingencies	-	-	-	-
Total expenditures	48,987,951	48,987,951	46,792,175	2,195,776
Excess of revenues over (under) expenditures	(48,987,951)	(48,987,951)	(46,655,105)	2,332,846
Other financing sources (uses)				
Transfers in	48,987,951	48,987,951	48,987,951	-
Transfers out	-	-	(2,332,846)	(2,332,846)
Total other financing sources (uses)	48,987,951	48,987,951	46,655,105	(2,332,846)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	314,712	314,712
Change in prepaids	-	-	-	-
Change in inventory	-	-	(27,070)	(27,070)
Fund balances – end of year	\$ -	\$ -	\$ 287,642	\$ 287,642

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Clerk of the Court			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	50,000	53,000	55,365	2,365
Charges for services	1,186,400	1,219,400	1,199,586	(19,814)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	4,000	4,146	146
Total revenues	1,236,400	1,276,400	1,259,097	(17,303)
Expenditures:				
Current:				
General government	1,372,350	1,465,210	1,458,486	6,724
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	387,226	364,755	380,169	(15,414)
Capital outlay	65,500	82,500	81,626	874
Contingencies	-	-	-	-
Total expenditures	1,825,076	1,912,465	1,920,281	(7,816)
Excess of revenues over (under) expenditures	(588,676)	(636,065)	(661,184)	(25,119)
Other financing sources (uses)				
Transfers in	719,376	719,376	719,376	-
Transfers out	(130,700)	(83,311)	(75,939)	7,372
Total other financing sources (uses)	588,676	636,065	643,437	7,372
Net change in fund balances	-	-	(17,747)	(17,747)
Fund balances – beginning of year	-	-	23,108	23,108
Change in prepaids	-	-	(3,907)	(3,907)
Change in inventory	-	-	-	-
Fund balances – end of year	\$ -	\$ -	\$ 1,454	\$ 1,454

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Property Appraiser			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	47,713	47,735	45,038	(2,697)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	1,681	1,681
Total revenues	47,713	47,735	46,719	(1,016)
Expenditures:				
Current:				
General government	2,727,961	2,719,541	2,592,242	127,299
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Capital outlay	-	9,700	9,636	64
Contingencies	-	-	-	-
Total expenditures	2,727,961	2,729,241	2,601,878	127,363
Excess of revenues over (under) expenditures	(2,680,248)	(2,681,506)	(2,555,159)	126,347
Other financing sources (uses)				
Transfers in	2,680,248	2,681,506	2,711,506	30,000
Transfers out	-	-	(156,347)	(156,347)
Total other financing sources (uses)	2,680,248	2,681,506	2,555,159	(126,347)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Change in prepaids	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	\$ -	\$ -	\$ -	\$ -

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Tax Collector			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	4,562,515	4,562,515	5,921,369	1,358,854
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	47,511	47,511
Total revenues	4,562,515	4,562,515	5,968,880	1,406,365
Expenditures:				
Current:				
General government	4,505,995	4,505,995	4,325,981	180,014
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Capital outlay	56,520	56,520	57,138	(618)
Contingencies	-	-	-	-
Total expenditures	4,562,515	4,562,515	4,383,119	179,396
Excess of revenues over (under) expenditures	-	-	1,585,761	1,585,761
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(1,585,761)	(1,585,761)
Total other financing sources (uses)	-	-	(1,585,761)	(1,585,761)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Change in prepaids	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	\$ -	\$ -	\$ -	\$ -

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Supervisor of Elections			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	47,123	47,123
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	6,002	6,002
Total revenues	-	-	53,125	53,125
Expenditures:				
Current:				
General government	1,773,633	1,750,034	1,611,454	138,580
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Capital outlay	35,000	58,599	58,521	78
Contingencies	-	-	-	-
Total expenditures	1,808,633	1,808,633	1,669,975	138,658
Excess of revenues over (under) expenditures	(1,808,633)	(1,808,633)	(1,616,850)	191,783
Other financing sources (uses)				
Transfers in	1,669,343	1,669,343	1,669,343	-
Transfers out	-	-	(108,580)	(108,580)
Total other financing sources (uses)	1,669,343	1,669,343	1,560,763	(108,580)
Net change in fund balances	(139,290)	(139,290)	(56,087)	83,203
Fund balances – beginning of year	139,290	139,290	219,795	80,505
Change in prepaids	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	\$ -	\$ -	\$ 163,708	\$ 163,708

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	BCC Fine and Forfeiture			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 34,673,954	\$ 34,673,954	\$ 33,395,964	\$ (1,277,990)
Licenses and permits	-	-	-	-
Intergovernmental	2,517,818	2,592,256	2,537,287	(54,969)
Charges for services	477,500	477,500	733,882	256,382
Fines and forfeitures	-	-	49,390	49,390
Miscellaneous	42,500	42,500	430,787	388,287
Total revenues	37,711,772	37,786,210	37,147,310	(638,900)
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	7,254,686	7,254,686	5,732,182	1,522,504
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	300	300	149	151
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Capital outlay	15,000	15,000	10,284	4,716
Contingencies	1,519,626	1,301,103	-	1,301,103
Total expenditures	8,789,612	8,571,089	5,742,615	2,828,474
Excess of revenues over (under) expenditures	28,922,160	29,215,121	31,404,695	2,189,574
Other financing sources (uses)				
Transfers in	-	-	1,669,382	1,669,382
Transfers out	(32,428,896)	(32,428,896)	(32,428,896)	-
Total other financing sources (uses)	(32,428,896)	(32,428,896)	(30,759,514)	1,669,382
Net change in fund balances	(3,506,736)	(3,213,775)	645,181	3,858,956
Fund balances – beginning of year	3,506,736	3,213,775	5,763,848	2,550,073
Change in prepaids	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	\$ -	\$ -	6,409,029	\$ 6,409,029

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Eliminations			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	2,988,920	2,988,920	2,987,706	1,214
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	2,988,920	2,988,920	2,987,706	1,214
Expenditures				
Current:				
General government	2,988,920	2,988,920	2,987,706	(1,214)
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Capital Outlay	-	-	-	-
Contingencies	-	-	-	-
Total expenditures	2,988,920	2,988,920	2,987,706	(1,214)
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	37,969,829	37,969,829	40,304,272	2,334,443
Transfers out	(37,969,829)	(37,969,829)	(40,304,272)	(2,334,443)
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Change in prepaids	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	\$ -	\$ -	\$ -	\$ -

(Continued)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers General Funds
Year ended September 30, 2019**

	Combined General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 64,966,065	\$ 64,966,065	\$ 62,996,721	\$ (1,969,344)
Licenses and permits	11,780	11,780	11,204	(576)
Intergovernmental	29,558,482	30,296,706	29,854,167	(442,539)
Charges for services	9,981,505	10,014,527	12,728,743	2,714,216
Fines and forfeitures	500	500	54,940	54,440
Miscellaneous	1,345,200	1,350,200	3,294,255	1,944,055
Total revenues	105,863,532	106,639,778	108,940,030	2,300,252
Expenditures:				
Current:				
General government	28,626,647	29,400,288	25,552,323	3,847,965
Public safety	75,329,868	76,225,859	68,944,703	7,281,156
Physical environment	568,877	572,332	545,097	27,235
Transportation	2,980,186	2,984,948	2,423,788	561,160
Economic development	266,244	266,623	217,592	49,031
Human services	6,156,940	6,463,193	5,713,026	750,167
Culture and recreation	7,513,167	7,512,526	5,800,697	1,711,829
Court costs	2,501,855	2,729,384	2,142,234	587,150
Capital outlay	2,145,187	2,373,014	1,884,339	488,675
Contingencies	15,881,880	18,553,390	-	18,553,390
Total expenditures	141,970,851	147,081,557	113,223,799	33,857,758
Excess of revenues over (under) expenditures	(36,107,319)	(40,441,779)	(4,283,769)	36,158,010
Other financing sources (uses)				
Transfers in	18,893,893	18,930,241	18,403,348	(526,893)
Transfers out	-	27,614	(1,738,246)	(1,765,860)
Total other financing sources (uses)	18,893,893	18,957,855	16,665,102	(2,292,753)
Net change in fund balances	(17,213,426)	(21,483,924)	12,381,333	33,865,257
Fund balances – beginning of year	17,228,426	21,498,924	27,892,462	6,393,538
Change in prepaids	-	-	(3,907)	(3,907)
Change in inventory	-	-	(27,070)	(27,070)
Fund balances – end of year	\$ 15,000	\$ 15,000	\$ 40,242,818	\$ 40,227,818

(Concluded)

**Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019**

	Special Revenue Funds					
	County Transportation Fund	Florida Boating Improvement	Hidden Waters MSBU	County Alcohol and Other Drug Abuse	Court Facility	Law Enforcement Trust
Assets:						
Cash and equivalents	\$ 1,982,888	\$ 492,668	\$ 19,674	\$ 1,080	\$ 1,904,545	\$ 129,973
Investments	1,681,493	683,075	-	-	4,181,077	236
Due from other funds	139,432	13,898	149	185	31,799	48,818
Due from other governments	731,294	4,718	-	-	-	-
Receivables	18,400	-	-	-	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	\$ 4,553,507	\$ 1,194,359	\$ 19,823	\$ 1,265	\$ 6,117,421	\$ 179,027
Liabilities:						
Accounts payable and accrued liabilities	\$ 372,833	\$ 4,618	\$ -	\$ -	\$ 8,549	\$ -
Due to other funds	255,116	-	13,875	-	-	-
Due to other governments	3,257	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	631,206	4,618	13,875	-	8,549	-
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepays	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	3,922,301	1,189,741	5,948	1,265	6,108,872	179,027
Unassigned	-	-	-	-	-	-
Total fund balances	3,922,301	1,189,741	5,948	1,265	6,108,872	179,027
Total liabilities, deferred inflows, and fund balances	\$ 4,553,507	\$ 1,194,359	\$ 19,823	\$ 1,265	\$ 6,117,421	\$ 179,027

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019

	Special Revenue Funds					
	Law Library	Tourist Development Trust	Second Dollar Sheriff Education	Free Library Fund	Investigative Drug	Legal Aid Fees
Assets:						
Cash and equivalents	\$ 39,860	\$ 1,107,413	\$ 107,983	\$ 101,113	\$ 5,063	\$ 46,617
Investments	-	1,973,713	3	88,383	36,216	-
Due from other funds	2,521	100,892	2,670	-	14,267	2,521
Due from other governments	-	-	-	-	-	-
Receivables	-	97,888	-	1,445	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	\$ 42,381	\$ 3,279,906	\$ 110,656	\$ 190,941	\$ 55,546	\$ 49,138
Liabilities:						
Accounts payable and accrued liabilities	\$ 505	31,299	-	\$ 19,296	\$ -	\$ 37,313
Due to other funds	41,876	115	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	42,381	31,414	-	19,296	-	37,313
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepays	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	-	3,248,492	110,656	171,645	55,546	11,825
Unassigned	-	-	-	-	-	-
Total fund balances	-	3,248,492	110,656	171,645	55,546	11,825
Total liabilities, deferred inflows, and fund balances	\$ 42,381	\$ 3,279,906	\$ 110,656	\$ 190,941	\$ 55,546	\$ 49,138

(Continued)

**Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019**

	Special Revenue Funds					
	SHIP	Florida Arts License Tag	Probation Control	Oak Forest Road MSBU	Teen Court	CDBG Grant Fund
Assets:						
Cash and equivalents	\$ 1,749,119	\$ 1,227	\$ 56,510	\$ 52,139	\$ 15,237	\$ 75,587
Investments	213,350	-	-	-	-	-
Due from other funds	-	-	10,547	358	78,870	-
Due from other governments	-	-	-	-	-	-
Receivables	-	60	-	-	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	\$ 1,962,469	\$ 1,287	\$ 67,057	\$ 52,497	\$ 94,107	\$ 75,587
Liabilities:						
Accounts payable and accrued liabilities	\$ 99,787	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	8	-	-	42,203	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	99,795	-	-	42,203	-	-
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepays	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	1,862,674	1,287	67,057	10,294	94,107	75,587
Unassigned	-	-	-	-	-	-
Total fund balances	1,862,674	1,287	67,057	10,294	94,107	75,587
Total liabilities, deferred inflows, and fund balances	\$ 1,962,469	\$ 1,287	\$ 67,057	\$ 52,497	\$ 94,107	\$ 75,587

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019

	Special Revenue Funds					
	Student Driver Education	Municipal Service	Blue Jay MSBU	911 Wireless	State Court Local Requirements	Two Dollar Recording Fee
Assets:						
Cash and equivalents	\$ 107,604	\$ 291,617	\$ 68,807	\$ 751,004	\$ 45,468	\$ 399,121
Investments	2,840	1,186,727	-	611,333	253,420	-
Due from other funds	2,971	4,511	443	675	93,903	32,862
Due from other governments	-	-	-	81,276	-	-
Receivables	-	4,026	-	-	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	\$ 113,415	\$ 1,486,881	\$ 69,250	\$ 1,444,288	\$ 392,791	\$ 431,983
Liabilities:						
Accounts payable and accrued liabilities	\$ 60,349	\$ 133,068	\$ -	\$ 41,254	\$ 26,168	\$ -
Due to other funds	-	173	49,819	240,007	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	60,349	133,241	49,819	281,261	26,168	-
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepays	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	53,066	1,353,640	19,431	1,163,027	366,623	431,983
Unassigned	-	-	-	-	-	-
Total fund balances	53,066	1,353,640	19,431	1,163,027	366,623	431,983
Total liabilities, deferred inflows, and fund balances	\$ 113,415	\$ 1,486,881	\$ 69,250	\$ 1,444,288	\$ 392,791	\$ 431,983

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019

	Special Revenue Funds					
	Crime Prevention Program	Juvenile Program	Building	Fire MSTU	Fire Inspection Fee Fund	Sheriff Federal Forfeiture- Law Enforcement Trust Fund
Assets:						
Cash and equivalents	\$ 12,036	\$ 46,985	\$ 1,968,390	\$ 463,778	\$ 57,540	\$ 57,357
Investments	183,592	-	5,021,608	950,922	-	-
Due from other funds	3,279	2,521	-	4,278	-	-
Due from other governments	-	-	20,345	1,890	100	-
Receivables	-	-	134	896	-	99
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	\$ 198,907	\$ 49,506	\$ 7,010,477	\$ 1,421,764	\$ 57,640	\$ 57,456
Liabilities:						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 107,883	\$ 186,936	\$ 4,646	\$ -
Due to other funds	-	49,506	86	620	-	48,818
Due to othe governments	-	-	9,135	22,114	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	49,506	117,104	209,670	4,646	48,818
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	1,289	-
Fund balances:						
Nonspendable:						
Prepays	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	198,907	-	6,893,373	1,212,094	51,705	8,638
Unassigned	-	-	-	-	-	-
Total fund balances	198,907	-	6,893,373	1,212,094	51,705	8,638
Total liabilities, deferred inflows, and fund balances	\$ 198,907	\$ 49,506	\$ 7,010,477	\$ 1,421,764	\$ 57,640	\$ 57,456

(Continued)

**Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019**

	Special Revenue Funds						
	Sheriff Inmate Welfare Fund	Sheriff Grant Fund	2nd Dollar Sheriff Education Fund	Sheriff Drug Investigative Fund	Sheriff Crime Prevention Program Fund	Sheriff \$12.50 Motor Vehicle Surcharge Fund	
Assets:							
Cash and equivalents	\$ 534,881	\$ 20,978	\$ 695	\$ 14,200	\$ 158	\$ 54,718	
Investments	-	-	-	-	-	-	-
Due from other funds	205	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Receivables	52,964	-	-	24	-	93	
Prepaid costs	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	236	
Total assets	\$ 588,050	\$ 20,978	\$ 695	\$ 14,224	\$ 158	\$ 55,047	
Liabilities:							
Accounts payable and accrued liabilities	\$ 3,043	\$ -	\$ -	\$ -	\$ -	\$ -	-
Due to other funds	14,487	20,978	695	14,224	158	54,811	
Due to other governments	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	17,530	20,978	695	14,224	158	54,811	
Deferred inflow of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances:							
Nonspendable:							
Prepays	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	236	
Restricted	570,520	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	-
Total fund balances	570,520	-	-	-	-	236	
Total liabilities, deferred inflows, and fund balances	\$ 588,050	\$ 20,978	\$ 695	\$ 14,224	\$ 158	\$ 55,047	

(Continued)

**Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019**

	Special Revenue Funds					
	Sheriff Capital Improvements	Clerk Fine and Forfeiture	Clerk Records Modernization	Clerk Information Technology	Clerk BCC Technology	Clerk - CGD Supplementary Fee
Assets:						
Cash and equivalents	\$ 225,569	\$ 1,028,704	\$ 140,955	\$ 542,140	\$ 8,583	\$ 5,751
Investments	-	-	81,427	29,388	-	1,247
Due from other funds	-	2,697	-	83,255	1,980	-
Due from other governments	-	210,050	-	-	-	-
Receivables	354	-	-	-	-	-
Prepaid costs	-	10,931	-	-	6,732	-
Inventory	-	-	-	-	-	-
Total assets	\$ 225,923	\$ 1,252,382	\$ 222,382	\$ 654,783	\$ 17,295	\$ 6,998
Liabilities:						
Accounts payable and accrued liabilities	\$ -	\$ 133,776	\$ -	\$ 43,390	\$ 17,295	\$ -
Due to other funds	225,923	361,332	2,697	1,980	-	-
Due to other governments	-	67,058	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	225,923	562,166	2,697	45,370	17,295	-
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepays	-	10,931	-	-	6,732	-
Inventory	-	-	-	-	-	-
Restricted	-	679,285	219,685	609,413	-	6,998
Unassigned	-	-	-	-	(6,732)	-
Total fund balances	-	690,216	219,685	609,413	-	6,998
Total liabilities, deferred inflows, and fund balances	\$ 225,923	\$ 1,252,382	\$ 222,382	\$ 654,783	\$ 17,295	\$ 6,998

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019

	Special Revenue Funds				Debt Service Fund
	Clerk Teen Court	Clerk Clay County Archives	\$12.50 Motor Vehicle Surcharge	Challenger Roadway MSTU	Surtax Revenue Bonds 2009
Assets:					
Cash and equivalents	\$ 30,665	\$ 8,750	\$ 220,962	\$ 92	\$ -
Investments	-	-	3,012	-	-
Due from other funds	-	-	63,323	7	-
Due from other governments	-	-	-	-	-
Receivables	-	-	103	-	-
Prepaid costs	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	\$ 30,665	\$ 8,750	\$ 287,400	\$ 99	\$ -
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 8,480	\$ -	\$ -
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	-	-	8,480	-	-
Deferred inflow of resources:					
Unavailable revenue	-	-	-	-	-
Fund balances:					
Nonspendable:					
Prepays	-	-	-	-	-
Inventory	-	-	-	-	-
Restricted	30,665	8,750	278,920	99	-
Unassigned	-	-	-	-	-
Total fund balances	30,665	8,750	278,920	99	-
Total liabilities, deferred inflows, and fund balances	\$ 30,665	\$ 8,750	\$ 287,400	\$ 99	\$ -

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019

	Capital Projects Funds					Total
	CIP Northeast Sector	CIP West Sector	Branan Field APF	Sidewalk Fund	Lake Asbury APF	
Assets:						
Cash and equivalents	\$ 403,358	\$ 98,770	\$ 762,555	\$ 114,130	\$ 138,350	\$ 16,513,367
Investments	321,115	127,458	176,997	-	-	17,808,632
Due from other funds	-	-	-	-	-	743,837
Due from other governments	-	-	-	-	-	1,049,673
Receivables	-	-	-	-	-	176,486
Prepaid costs	-	-	-	-	-	17,663
Inventory	-	-	-	-	-	236
Total assets	\$ 724,473	\$ 226,228	\$ 939,552	\$ 114,130	\$ 138,350	\$ 36,309,894
Liabilities:						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	1,340,488
Due to other funds	-	-	-	-	-	1,439,507
Due to other governments	-	-	-	-	-	101,564
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	2,881,559
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	1,289
Fund balances:						
Nonspendable:						
Prepays	-	-	-	-	-	17,663
Inventory	-	-	-	-	-	236
Restricted	724,473	226,228	939,552	114,130	138,350	33,415,879
Unassigned	-	-	-	-	-	(6,732)
Total fund balances	724,473	226,228	939,552	114,130	138,350	33,427,046
Total liabilities, deferred inflows, and fund balances	\$ 724,473	\$ 226,228	\$ 939,552	\$ 114,130	\$ 138,350	\$ 36,309,894

(Concluded)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds					
	County Transportation Fund	Florida Boating Improvement	Hidden Waters MSBU	County Alcohol and Other Drug Abuse	Court Facility	Law Enforcement Trust
Revenues:						
Taxes	\$ 5,183,263	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	87,265	16,403	-	-	-
Intergovernmental	3,719,850	58,417	-	-	-	-
Charges for services	-	-	-	5,289	585,552	-
Fines and forfeitures	-	-	-	-	-	33,214
Miscellaneous	104,899	18,641	52	93	109,794	405
Total revenues	9,008,012	164,323	16,455	5,382	695,346	33,619
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	8,285,442	-	14,788	-	-	-
Economic environment	-	-	-	-	-	-
Human services	294,732	-	-	350,000	-	-
Culture and recreation	-	118,639	-	-	-	-
Court related	-	-	-	-	20,109	-
Capital outlay	17,469	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	8,597,643	118,639	14,788	350,000	20,109	-
Excess of revenues over (under) expenditures	410,369	45,684	1,667	(344,618)	675,237	33,619
Other financing sources (uses):						
Transfers in	-	-	149	346,000	-	48,818
Transfers out	-	-	-	-	-	(129,000)
Total other financing sources (uses)	-	-	149	346,000	-	(80,182)
Net change in fund balances	410,369	45,684	1,816	1,382	675,237	(46,563)
Fund balances – beginning of year	3,511,932	1,144,057	4,132	(117)	5,433,635	225,590
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	\$ 3,922,301	\$ 1,189,741	\$ 5,948	\$ 1,265	\$ 6,108,872	\$ 179,027

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds					
	Law Library	Tourist Development Trust	Second Dollar Sheriff Education	Free Library Fund	Investigative Drug	Legal Aid Fees
Revenues:						
Taxes	\$ -	\$ 1,214,747	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	4,875	-	-
Charges for services	49,774	-	32,121	20,194	-	49,774
Fines and forfeitures	-	-	-	73,167	5,379	-
Miscellaneous	61	43,928	359	16,329	1,517	32
Total revenues	49,835	1,258,675	32,480	114,565	6,896	49,806
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	785	-	900	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	644,345	-	-	-	-
Human services	-	-	-	-	-	149,250
Culture and recreation	-	-	-	82,567	-	-
Court related	7,959	-	-	-	-	-
Capital outlay	-	-	-	6,214	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	7,959	644,345	785	88,781	900	149,250
Excess of revenues over (under) expenditures	41,876	614,330	31,695	25,784	5,996	(99,444)
Other financing sources (uses):						
Transfers in	-	11,693	695	-	14,224	114,000
Transfers out	(41,876)	-	(50,000)	-	(60,000)	-
Total other financing sources (uses)	(41,876)	11,693	(49,305)	-	(45,776)	114,000
Net change in fund balances	-	626,023	(17,610)	25,784	(39,780)	14,556
Fund balances – beginning of year	-	2,622,469	128,266	145,861	95,326	(2,731)
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	\$ -	\$ 3,248,492	\$ 110,656	\$ 171,645	\$ 55,546	\$ 11,825

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds					
	SHIP	Florida Arts License Tag	Probation Control	Oak Forest Road MSBU	Teen Court	CDBG Grant Fund
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	43,398	-	-
Intergovernmental	391,491	2,046	-	-	-	29,287
Charges for services	-	-	215,866	-	53,704	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	119,596	-	36	132	77	218
Total revenues	511,087	2,046	215,902	43,530	53,781	29,505
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	43,540	-	-
Economic environment	911,331	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	1,999	-	-	-	-
Court related	-	-	-	-	345	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	911,331	1,999	-	43,540	345	-
Excess of revenues over (under)expenditures	(400,244)	47	215,902	(10)	53,436	29,505
Other financing sources (uses):						
Transfers in	-	-	-	358	255,939	-
Transfers out	-	-	(148,845)	-	(237,231)	-
Total other financing sources (uses)	-	-	(148,845)	358	18,708	-
Net change in fund balances	(400,244)	47	67,057	348	72,144	29,505
Fund balances beginning of year	2,262,918	1,240	-	9,946	21,963	46,082
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	\$ 1,862,674	\$ 1,287	\$ 67,057	\$ 10,294	\$ 94,107	\$ 75,587

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds					
	Student Driver Education	Municipal Service	Blue Jay MSBU	911 Wireless	State Court Local Requirements	Two Dollar Recording Fee
Revenues:						
Taxes	\$ -	\$ 1,022,289	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	29,831	52,110	-	-	-
Intergovernmental	-	21,715	-	945,949	-	-
Charges for services	53,840	431,833	-	-	49,774	364,702
Fines and forfeitures	-	37,344	-	-	-	-
Miscellaneous	263	58,536	179	19,942	8,967	1,136
Total revenues	54,103	1,601,548	52,289	965,891	58,741	365,838
Expenditures:						
Current:						
General government	-	859,583	-	-	-	-
Public safety	60,348	192,116	-	641,410	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	810,156	51,472	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	-	-	-	268,315	5,018
Capital outlay	-	-	-	1,524	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	60,348	1,861,855	51,472	642,934	268,315	5,018
Excess of revenues over (under) expenditures	(6,245)	(260,307)	817	322,957	(209,574)	360,820
Other financing sources (uses):						
Transfers in	-	-	443	-	91,382	-
Transfers out	-	-	-	(240,000)	-	(328,870)
Total other financing sources (uses)	-	-	443	(240,000)	91,382	(328,870)
Net change in fund balances	(6,245)	(260,307)	1,260	82,957	(118,192)	31,950
Fund balances – beginning of year	59,311	1,613,947	18,171	1,080,070	484,815	400,033
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	\$ 53,066	\$ 1,353,640	\$ 19,431	\$ 1,163,027	\$ 366,623	\$ 431,983

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds					
	Crime Prevention Program	Juvenile Program	Building	Fire MSTU	Fire Inspection Fee Fund	Sheriff Federal Forfeiture- Law Enforcement Trust Fund
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 4,911,128	\$ -	\$ -
Licenses and permits	-	-	2,812,318	-	-	-
Intergovernmental	-	-	-	233,628	-	-
Charges for services	-	49,430	6,870	-	69,650	-
Fines and forfeitures	76,307	-	-	-	-	5,239
Miscellaneous	4,679	76	172,644	60,244	142	2,364
Total revenues	80,986	49,506	2,991,832	5,205,000	69,792	7,603
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	1,798	-	1,815,504	5,126,768	130,995	17,055
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Capital outlay	-	-	50,868	30,737	-	90,192
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	1,798	-	1,866,372	5,157,505	130,995	107,247
Excess of revenues over (under) expenditures	79,188	49,506	1,125,460	47,495	(61,203)	(99,644)
Other financing sources (uses):						
Transfers in	158	-	-	-	114,452	129,000
Transfers out	(140,000)	(49,506)	-	(565,891)	-	(48,818)
Total other financing sources (uses)	(139,842)	(49,506)	-	(565,891)	114,452	80,182
Net change in fund balances	(60,654)	-	1,125,460	(518,396)	53,249	(19,462)
Fund balances – beginning of year	259,561	-	5,767,913	1,730,490	(1,544)	28,100
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	\$ 198,907	\$ -	\$ 6,893,373	\$ 1,212,094	\$ 51,705	\$ 8,638

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds					
	Sheriff Inmate Welfare Fund	Sheriff Grant Fund	2nd Dollar Sheriff Education Fund	Sheriff Drug Investigative	Sheriff Crime Prevention Program Fund	Sheriff \$12.50 Motor Vehicle Surcharge Fund
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	356,711	6,500	-	367	151	741
Total revenues	356,711	6,500	-	367	151	741
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	295,459	134,759	49,305	46,143	139,993	5,930
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Capital outlay	15,002	47,754	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	310,461	182,513	49,305	46,143	139,993	5,930
Excess of revenues over (under) expenditures	46,250	(176,013)	(49,305)	(45,776)	(139,842)	(5,189)
Other financing sources (uses):						
Transfers in	-	196,991	50,000	60,000	140,000	60,000
Transfers out	-	(20,978)	(695)	(14,224)	(158)	(54,811)
Total other financing sources (uses)	-	176,013	49,305	45,776	139,842	5,189
Net change in fund balances	46,250	-	-	-	-	-
Fund balances – beginning of year	524,270	-	-	-	-	304
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	(68)
Fund balances – end of year	\$ 570,520	\$ -	\$ -	\$ -	\$ -	\$ 236

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds					
	Sheriff Capital Improvements	Clerk Fine and Forfeiture	Clerk Records Modernization	Clerk Information Technology	Clerk BCC Technology	Clerk - CGD Supplementary Fee
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	769,649	-	-	-	-
Charges for services	-	2,944,059	115,276	346,467	-	230
Fines and forfeitures	-	880,317	-	-	-	-
Miscellaneous	14,132	4,146	3,300	1,191	-	51
Total revenues	14,132	4,598,171	118,576	347,658	-	281
Expenditures:						
Current:						
General government	-	-	152,116	-	-	-
Public safety	127,535	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	4,492,550	-	257,660	327,581	-
Capital outlay	1,209,312	784	-	9,074	8,021	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	1,336,847	4,493,334	152,116	266,734	335,602	-
Excess of revenues over (under) expenditures	(1,322,715)	104,837	(33,540)	80,924	(335,602)	281
Other financing sources (uses):						
Transfers in	1,548,638	-	-	-	328,870	-
Transfers out	(225,923)	-	-	-	-	-
Total other financing sources (uses)	1,322,715	-	-	-	328,870	-
Net change in fund balances	-	104,837	(33,540)	80,924	(6,732)	281
Fund balances – beginning of year	-	594,302	253,225	528,489	-	6,717
Change in prepaids	-	(8,923)	-	-	6,732	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	\$ -	\$ 690,216	\$ 219,685	\$ 609,413	\$ -	\$ 6,998

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Special Revenue Funds				Debt Service Fund
	Clerk Teen Court	Clay County Archives	\$12.50 Motor Vehicle Surcharge	Challenger Roadway MSTU	Surtax Revenue Bonds 2009
Revenues:					
Taxes	\$ -	\$ -	\$ -	721	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	152,920	-	-
Miscellaneous	9,445	7,703	933	-	5,354
Total revenues	9,445	7,703	153,853	721	5,354
Expenditures:					
Current:					
General government	-	9,010	-	-	-
Public safety	-	-	82,052	-	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	189	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Court related	14,863	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	13,246
Total expenditures	14,863	9,010	82,052	189	13,246
Excess of revenues over (under) expenditures	(5,418)	(1,307)	71,801	532	(7,892)
Other financing sources (uses):					
Transfers in	-	-	54,811	7	-
Transfers out	-	-	(60,000)	(452)	(503,021)
Total other financing sources (uses)	-	-	(5,189)	(445)	(503,021)
Net change in fund balances	(5,418)	(1,307)	66,612	87	(510,913)
Fund balances – beginning of year	36,083	10,057	212,308	12	510,913
Change in prepaids	-	-	-	-	-
Change in inventory	-	-	-	-	-
Fund balances – end of year	\$ 30,665	\$ 8,750	\$ 278,920	\$ 99	\$ -

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Capital Projects Funds					Total
	CIP Northeast Sector	CIP West Sector	Branan Field APF	Sidewalk Fund	Lake Asbury APF	
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,332,148
Licenses and permits	284,363	-	172,751	2,500	3,958	3,504,897
Intergovernmental	-	-	-	-	-	6,176,907
Charges for services	-	-	-	-	-	5,444,405
Fines and forfeitures	-	-	-	-	-	1,263,887
Miscellaneous	9,064	3,509	6,600	391	452	1,176,082
Total revenues	293,427	3,509	179,351	2,891	4,410	29,898,326
Expenditures:						
Current:						
General government	-	-	-	-	-	1,020,709
Public safety	-	-	-	-	-	8,868,855
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	6,198	-	9,211,785
Economic environment	-	-	-	-	-	1,555,676
Human services	-	-	-	-	-	793,982
Culture and recreation	-	-	-	-	-	203,205
Court related	-	-	-	-	-	5,394,400
Capital outlay	-	-	-	-	-	1,486,951
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	13,246
Total expenditures	-	-	-	6,198	-	28,548,809
Excess of revenues over (under) expenditures	293,427	3,509	179,351	(3,307)	4,410	1,349,517
Other financing sources (uses):						
Transfers in	-	-	-	-	-	3,566,628
Transfers out	-	-	-	-	-	(2,920,299)
Total other financing sources (uses)	-	-	-	-	-	646,329
Net change in fund balances	293,427	3,509	179,351	(3,307)	4,410	1,995,846
Fund balances – beginning of year	431,046	222,719	760,201	117,437	133,940	31,433,459
Change in prepaids	-	-	-	-	-	(2,191)
Change in inventory	-	-	-	-	-	(68)
Fund balances – end of year	\$ 724,473	\$ 226,228	\$ 939,552	\$ 114,130	\$ 138,350	\$ 33,427,046

(Concluded)

Combining Statement of Fiduciary Net Position
Agency Funds
September 30, 2019

	Clerk of Courts	Sheriff	Tax Collector	Totals
Assets:				
Cash and equivalents	\$ 5,955,180	\$ 99,742	\$ 2,338,078	\$ 8,393,000
Receivables	7,274	33,058	94,322	134,654
Due from other funds	-	-	-	-
Total assets	5,962,454	132,800	2,432,400	8,527,654
Liabilities:				
Assets held for others	5,853,869	51,099	2,319,297	8,224,265
Due to other funds	-	205	-	205
Due to other governments	-	685	-	685
Due to other county agencies	108,585	80,811	113,103	302,499
Total liabilities	5,962,454	132,800	2,432,400	8,527,654
Net position	\$ -	\$ -	\$ -	\$ -

**Schedule of Expenditures of Federal Awards and State Financial Assistance
Year ended September 30, 2019**

Federal Agency	Federal CFDA Number	Contract Number	Expenditures	Program Totals
U.S. Department of Justice				
Passed through the Office of Attorney General Victims of Crime Act	16.575	2018/19	\$ 37,297	\$ 37,297
Passed through Florida Department of Law Enforcement				
State Criminal Alien Assistance Program	16.606	2019APBX0430	12,581	12,581
Edward Byrne Memorial Justice Assistance Grant	16.738	2017-DJ-BX-0829	36,287	
Edward Byrne Memorial Justice Assistance Grant	16.738	2018-DJ-BX-0553	33,866	
Edward Byrne Memorial Justice Assistance Grant	16.738	2019-JAGC-CLAY-1-N2-005	45,982	116,135
U.S. Department of Transportation				
Passed through Florida Department of Transportation				
Highway Planning and Construction	20.205	G0U64	2,411	
Highway Planning and Construction	20.205	G1536	991	
Highway Planning and Construction	20.205	G0U19	1,000	4,402
US Election Assistance Commission				
Passed through Florida Department of State, Div of Elections:				
Help America Vote Act	90.401	Federal Elections Activities 13-14	11,116	
Help America Vote Act	90.401	Federal Elections Activities 18-19	44,977	56,093
HAVA Election Security Grant	90.404	-	29,056	29,056
U.S. Department of Health and Human Services				
Passed through Florida Department of Revenue:				
Child Support Enforcement	93.563	COC10	487,508	
Child Support Enforcement	93.563	CSP10	16,309	
Child Support Enforcement- IV-D Reimbursement	93.563	FFY2017	2,845	506,662
U.S. Department of Homeland Security				
Passed through Florida Department of Community Affairs				
Emergency Management Performance Grant	97.042	DEM-19-FG-AF-04-20-01-132	68,743	68,743
Passed through Florida Division of Emergency Management:				
Flood Mitigation Assistance	97.029	DEM-19-FM-2017-10-Y1-B0002	2,321	2,321
Homeland Security Grant Program - Hazmat	97.067	18-DS-X1-04-20-01-294	29,596	29,596
Disaster Grants -Public Assistance -Hurricane Matthew	97.036	DR 4283	46,918	
Disaster Grants -Public Assistance -Hurricane Irma	97.036	DR 4337	7,451,408	7,498,326
Hazard Mitigation Assistance	97.039	H0204	16,023	
Hazard Mitigation Assistance	97.039	H0214	17,171	
Hazard Mitigation Assistance	97.039	H0233	17,171	50,365
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2016-FH-00285	1,121,099	1,121,099
Total Expenditures of Federal Awards			\$ 9,532,676	\$ 9,532,676

Note: The County did not make sub-awards of federal grants during the year ended September 30, 2019.

**Schedule of Expenditures of Federal Awards and State Financial Assistance
Year ended September 30, 2019**

State Agency	State CSFA Number	Contract Number	Expenditures	Project Totals
Executive Office of the Governor				
Passed through Department of Community Affairs				
Emergency Management Preparedness Base Grant	31.063	19-BG-21-04-20-01-012	107,843	\$ 107,843
Passed through Division of Emergency Management				
Hurricane Shelter Retrofit Project -Thrasher Horne	31.068	18ST-3D-04-20-01-026	87,725	
Hurricane Shelter Retrofit Project	31.068	18SR-3D-04-20-01-027	46,617	134,342
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION				
Fixed Capital Outlay Local Parks	37.085	L1703	318,860	318,860
Florida Housing Finance Corporation				
State Housing Initiatives Partnership Program	40.901	-	911,331	911,331
Florida Department of Agriculture and Consumer Services				
Mosquito Control	42.003	-	34,481	34,481
Florida Department of Financial Services				
Local Government Fire Services Grant	43.007	FM394	55,545	55,545
Florida Department of State and Secretary of State				
State Aid to Libraries	45.030	19-ST-07	59,232	59,232
Library Services and Technology Act Grant	45.310	18-LSTA-D-06	2,875	2,875
Florida Department of Transportation				
County Incentive Grant Program	55.008	G0079	164,107	164,107
Local Transportation Project	55.039	G1252	243,613	243,613
Florida Department of Highway Safety and Motor Vehicles				
Florida Arts License Plates	76.041	-	1,999	1,999
Florida Fish and Wildlife Conservation Commission				
Derelict Vessel Removal Program	77.005	17357	61,324	
Derelict Vessel Removal Program	77.005	17261	16,288	77,612
Florida Department of Juvenile Justice				
Delinquency Prevention	80.029	10470	178,092	178,092
Total Expenditures of State Financial Awards			\$ 2,289,932	\$ 2,289,932

Note: The County did not make sub-awards of state financial assistance during the year ended September 30, 2019.

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

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

1. General

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") presents the activity of all federal award programs and state financial assistance projects of Clay County, Florida (the County) for the year ended September 30, 2019. Federal awards and state financial assistance received directly from federal or state agencies, as well as those passed through other government agencies are included in the accompanying Schedule.

2. Basis of Presentation

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 10.550 of the Rules of the Auditor General, as applicable, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Schedule includes the activities of all federal award programs and state financial assistance projects of the County except the component unit referred to in our Independent Auditors' Report as being audited by other auditors, and is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of the basic financial statements. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

3. Subrecipients

The County did not provide federal or state awards to subrecipients.

4. Indirect Cost Rate

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

5. Loan or Loan Guarantee Programs

The County does not participate in any loan or loan guarantee programs.

6. Federally Funded Insurance

The County does not receive any federally funded insurance.

7. Noncash Assistance

The County did not receive any noncash assistance.

**Additional Elements Required
by the Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable County Commissioners
Clay County, Florida

Report on the Financial Statements

We have audited the financial statements of Clay County, Florida (the "County") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 25, 2020.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Reports on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 25, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. The application of such procedures did not reveal evidence of "deteriorating financial condition" as that term is defined in Rule 10.554.

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

Special District Component Unit

As required by the Rules of the Auditor General, we determined that the special district component unit of the County provided the necessary information for proper recording within the audited financial statements of the County in accordance with Section 218.39(3)(b), Florida Statutes.

We did not audit the financial statements of the County's discretely presented component unit. That component unit was audited by other auditors, whose report should be considered in conjunction with this management letter.

Additional Matters

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

As required by the Rules of the Auditor General, we performed separate audits of each of the County's constitutional officers. The comments included in those separately-issued reports should be considered in conjunction with this management letter.

Purpose of this Letter

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

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 25, 2020

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

The Honorable County Commissioners
Clay County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Clay County, Florida (the "County") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 25, 2020. Our report includes a reference to other auditors who audited the financial statements of the Housing Finance Authority of Clay County, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carri Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 25, 2020



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES

The Honorable County Commissioners
Clay County, Florida

We have examined Clay County, Florida's (the County) compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2018. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the County's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
June 25, 2020



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable County Commissioners
Clay County, Florida

We have examined Clay County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the County's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
June 25, 2020

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

The Honorable County Commissioners
Clay County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Clay County, Florida's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects *Compliance Supplement* that could have direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2019. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on each Major Federal Program and State Project

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

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not 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 the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Carri Riggs & Ingram, L.L.C.

St Augustine, Florida
June 25, 2020

Schedule of Findings and Questioned Costs

PART I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements:

- 1. Type of auditors’ report issued Unmodified
- 2. Internal control over financial reporting:
 - a. Material weaknesses identified? No
 - b. Significant deficiencies identified not considered to be material weaknesses? None Noted
 - c. Noncompliance material to the financial statements noted? No

Federal and State Awards:

- 1. Type of auditors’ report issued on compliance for major programs/projects Unmodified
- 2. Internal control over major programs/projects:
 - a. Material weaknesses identified? No
 - b. Significant deficiencies identified not considered to be material weaknesses? None noted
- 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a) and Chapter 10.557, Rules of the Auditor General? None noted
- 4. Identification of major programs/projects:

Federal Programs

CFDA Number

- Disaster Grants-Public Assistance 97.036
- Staffing for Adequate Fire and Emergency Response (SAFER) 97.083

State Projects

CSFA Number

- State Housing Initiatives Partnership Program 40.901
- Local Transportation Projects 55.039

- 5. Dollar threshold used to distinguish between type A and type B federal programs and state projects: \$750,000
- 6. Auditee qualified as a low-risk auditee for federal purposes? No

Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS	-None-
SECTION III – FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS	-None-
SECTION IV – FINDINGS AND QUESTIONED COSTS – STATE PROJECTS	-None-

Summary Schedule of Prior Audit Findings

2018-001- Preparation of the Schedule of Expenditures and State Financial Assistance- Corrected.

Clay County, Florida Clerk of the Circuit Court

Audit Report

September 30, 2019



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RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

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September 30, 2019

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INDEPENDENT AUDITORS' REPORT

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Clay County, Florida Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters*Required Supplementary Information*

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

Other Information

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated, March 17, 2020, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Caru, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 17, 2020

Clay County, Florida Clerk of the Circuit Court

Balance Sheet – Governmental Funds
As of September 30, 2019

	General Fund	Fine & Forfeiture Fund	Information Technology Fund	Other Governmental Funds	Total Govern- mental Funds
Assets					
Cash & cash equivalents	\$ 161,666	\$ 1,028,704	\$ 542,140	\$ 194,704	\$ 1,927,214
Investments	-	-	29,388	82,674	112,062
Due from other governments	4,680	210,050	-	-	214,730
Due from other funds	-	2,697	83,255	1,980	87,932
Prepaid expenditures	18,092	10,931	-	6,732	35,755
Total assets	\$ 184,438	\$ 1,252,382	\$ 654,783	\$ 286,090	\$ 2,377,693
Liabilities and fund balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 73,856	\$ 133,776	\$ 43,390	\$ 17,295	\$ 268,317
Due to other governments	-	67,058	-	-	67,058
Due to other county agencies	75,939	311,266	-	-	387,205
Due to other funds	33,189	50,066	1,980	2,697	87,932
Total liabilities	182,984	562,166	45,370	19,992	810,512
Fund balances:					
Nonspendable	18,092	10,931	-	6,732	35,755
Restricted	-	679,285	609,413	266,098	1,554,796
Unassigned	(16,638)	-	-	(6,732)	(23,370)
Total fund balances	1,454	690,216	609,413	266,098	1,567,181
Total liabilities and fund balances	\$ 184,438	\$ 1,252,382	\$ 654,783	\$ 286,090	\$ 2,377,693

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year ended September 30, 2019

	General Fund	Fine & Forfeiture Fund	Information Technology Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Intergovernmental	\$ 55,365	\$ 769,649	\$ -	\$ -	\$ 825,014
Charges for services	1,199,586	2,944,059	346,467	115,506	4,605,618
Fines and forfeitures	-	880,317	-	-	880,317
Miscellaneous revenue	4,146	4,146	1,191	20,499	29,982
Total revenues	1,259,097	4,598,171	347,658	136,005	6,340,931
Expenditures					
Current:					
General government:					
Personal services	951,268	-	-	-	951,268
Operating expenditures	507,218	-	-	161,126	668,344
Capital outlay	80,842	-	-	-	80,842
Court related:					
Personal services	287,166	3,508,452	-	97,458	3,893,076
Operating expenditures	93,003	195,410	257,660	244,986	791,059
Capital outlay	784	784	9,074	8,021	18,663
Total expenditures	1,920,281	3,704,646	266,734	511,591	6,403,252
Excess of revenues over (under) expenditures	(661,184)	893,525	80,924	(375,586)	(62,321)
Other financing source (uses)					
Appropriation from Board of County Commissioners					
	719,376	-	-	328,870	1,048,246
Reversion to Board of County Commissioners					
	(75,939)	-	-	-	(75,939)
Reversion to Clerks of Court Trust Fund					
	-	(788,688)	-	-	(788,688)
Total other financing sources (uses)	643,437	(788,688)	-	328,870	183,619
Net change in fund balances	(17,747)	104,837	80,924	(46,716)	121,298
Fund balances - beginning of year	23,108	594,302	528,489	306,082	1,451,981
Change in prepaid expenditures	(3,907)	(8,923)	-	6,732	(6,098)
Fund balances - end of year	\$ 1,454	\$ 690,216	\$ 609,413	\$ 266,098	\$ 1,567,181

Statement of Fiduciary Net Position
As of September 30, 2019

	Agency Funds
Assets	
Cash	\$ 5,955,180
Receivables	7,274
Total assets	5,962,454
Liabilities	
Assets held for others	5,853,869
Assets held for county agencies	108,585
Total liabilities	5,962,454
Net position	\$ -

See accompanying notes.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County, Florida Clerk of the Circuit Court (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

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

The Office reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fine and Forfeiture Fund – This fund is used to account for appropriations from the State of Florida and court fees to fund court expenditures.

Information Technology Fund – This fund is used to account for additional service charges collected by the Office to fund state-mandated court related technology needs of the Office.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Office reports the following nonmajor governmental funds:

BCC Technology Fund – This fund is used to account for additional service charges collected by the Office and used by the Board of County Commissioners to fund state-mandated court technology improvements and upgrades.

CGD Supplementary Fee – To account for monies to upgrade the child support enforcement program. Financing is provided primarily through fees.

Records Modernization Fund – This fund is used to account for fees collected and associated expenditures related to equipment upgrades and modernization of all official records of the County

Teen Court – To account for donations received from the general public for the operation and administration of the Teen Court system.

Clay County Archives – To account for donations received from the general public to promote historical documents.

The Office also reports the following fiduciary funds:

Agency Funds – Agency Funds are used to account for resources held by the Office in a custodial capacity.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

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

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

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

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

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

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Cash and Cash Equivalents

All cash and cash equivalents of the Office are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Office invests certain surplus funds in the Florida Local Government Investment Trust’s (“FLGIT”) short-term bond fund. The FLGIT is an external investment pool administered by the Florida Association of Court Clerks and Comptrollers, and is not registered with the SEC. The Trust is an open-ended professionally managed fund available only to public entities in Florida. The fair value of the position in the FLGIT is equal to the value of the pool shares. Such investments are reported at fair value.

Use of Estimates

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

NOTE 2 – INVESTMENTS

As of September 30, 2019, the Office’s investment in FLGIT’s short-term bond fund consists of the following:

Fund	Fair Value	S&P Rating
Records modernization trust fund	\$ 81,427	AAAf
Information technology fund	29,388	AAAf
CGD supplementary fee fund	1,247	AAAf
Total	\$ 112,062	

The effective duration of FLGIT at September 30, 2019 was 1.94 years. Currently, the Office’s policy is to follow Section 218.415, Florida Statutes, with regard to the investment of public funds which addresses investment risks. The Office does not have a formal policy for credit or interest rate risk.

NOTE 3 – FAIR VALUE MEASUREMENT

As a governmental external investment pool, the Office’s investment in FLGIT’s short-term bond fund is not required to be categorized in GASB’s fair value hierarchy.

Notes to Financial Statements

NOTE 4 – FUND BALANCE CLASSIFICATIONS

Balances of reported fund balance at September 30, 2019 are as follows:

	General Fund	Fine & Forfeiture Fund	Information Technology Fund	Other Governmental Funds	Total
Nonspendable-prepaid items	\$ 18,092	\$ 10,931	\$ -	\$ 6,732	\$ 35,755
Restricted for:					
Court operations	-	679,285	-	30,665	709,950
Court technology	-	-	609,413	-	609,413
Records modernization	-	-	-	219,685	219,685
Child support program	-	-	-	6,998	6,998
Archives	-	-	-	8,750	8,750
Unassigned	(16,638)	-	-	(6,732)	(23,370)
Total fund balances	\$ 1,454	\$ 690,216	\$ 609,413	\$ 266,098	\$ 1,567,181

NOTE 5 – RISK MANAGEMENT

For health insurance, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board’s financial statements as an Internal Service Fund, in accordance with requirements of GASB Statement 10.

For risks of loss related to workers’ compensation, general liability and errors or omissions, the Office participates with the Board of County Commissioners to purchase commercial insurance. For the past three years, there have been no insurance settlements in excess of insurance coverages.

Notes to Financial Statements

NOTE 6 – OPERATING LEASE COMMITMENTS

The Office leases premises in Orange Park for office space. The lease is currently set to expire in 2026. The agreement calls for annual lease payments of \$46,280 through June 2021 with 3% annual increases effective July 1st of each year thereafter through June 2026. The future minimum lease payments as of September 30, 2019 are as follows:

Fiscal Year Ended September 30,	Amount
2020	46,280
2021	46,627
2022	48,026
2023	49,467
2024	50,951
2025-2026	92,718
Total	\$ 334,069

In addition to the rental payments above, the Office is also responsible for its share of the common area maintenance and real estate taxes estimated to be approximately \$8,000 annually. For the year ended September 30, 2019, the Office incurred approximately \$54,000 for these premises.

Required Supplementary Information

Clay County, Florida Clerk of the Circuit Court

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – General Fund Year ended September 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 50,000	\$ 53,000	\$ 55,365	\$ 2,365
Charges for services	1,186,400	1,219,400	1,199,586	(19,814)
Miscellaneous revenue	-	4,000	4,146	146
Total revenues	1,236,400	1,276,400	1,259,097	(17,303)
Expenditures				
Current:				
General government:				
Personal services	895,200	953,440	951,268	2,172
Operating expenditures	477,150	511,770	507,218	4,552
Capital outlay	64,500	81,500	80,842	658
Court related:				
Personal services	326,179	287,510	287,166	344
Operating expenditures	61,047	77,245	93,003	(15,758)
Capital outlay	1,000	1,000	784	216
Total expenditures	1,825,076	1,912,465	1,920,281	(7,816)
Excess of revenues over (under) expenditures	(588,676)	(636,065)	(661,184)	(25,119)
Other financing sources (uses)				
Appropriation from Board of County				
Commissioners	719,376	719,376	719,376	-
Reversion to Board of County				
Commissioners	(130,700)	(83,311)	(75,939)	7,372
Total other financing sources (uses)	588,676	636,065	643,437	7,372
Net change in fund balances	-	-	(17,747)	(17,747)
Fund balances – beginning of year	-	-	23,108	23,108
Change in prepaid expenditures	-	-	(3,907)	(3,907)
Fund balances – end of year	\$ -	\$ -	\$ 1,454	\$ 1,454

Notes to Schedule:

The preparation, adoption, and amendments of the budgets is governed by Florida Statutes, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control.

Clay County, Florida Clerk of the Circuit Court

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Fine and Forfeiture Fund
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 589,272	\$ 780,924	\$ 769,649	\$ (11,275)
Charges for services	2,658,600	2,921,100	2,944,059	22,959
Fines and forfeitures	642,551	875,700	880,317	4,617
Miscellaneous revenues	5,939	5,939	4,146	(1,793)
Total revenues	3,896,362	4,583,663	4,598,171	14,508
Expenditures				
Court related:				
Personal services	3,549,686	3,508,822	3,508,452	370
Operating expenditures	130,238	219,180	195,410	23,770
Capital outlay	500	500	784	(284)
Total expenditures	3,680,424	3,728,502	3,704,646	23,856
Excess of revenues over (under) expenditures	215,938	855,161	893,525	38,364
Other financing sources (uses)				
Reversion to Clerks of Court Trust Fund	(215,938)	(855,161)	(788,688)	66,473
Total other financing sources (uses)	(215,938)	(855,161)	(788,688)	66,473
Net change in fund balances	-	-	104,837	104,837
Fund balances – beginning of year	-	-	594,302	594,302
Change in prepaid expenditures	-	-	(8,923)	(8,923)
Fund balances – end of year	\$ -	\$ -	\$ 690,216	\$ 690,216

Notes to Schedule:

Pursuant to Section 28.36, Florida Statutes, the budget is subject to the General Appropriations Act of the Florida Legislature and is prepared on a basis that does not differ materially from generally accepted accounting principles. The State of Florida releases from this appropriation on a monthly basis. The fund is the legal level of control.

Clay County, Florida Clerk of the Circuit Court

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Information Technology Fund
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 348,000	\$ 348,000	\$ 346,467	\$ (1,533)
Miscellaneous revenues	1,200	1,200	1,191	(9)
Total revenues	349,200	349,200	347,658	(1,542)
Expenditures				
Court related:				
Personal services	-	-	-	-
Operating expenditures	268,500	265,500	257,660	7,840
Capital outlay	10,000	10,000	9,074	926
Total expenditures	278,500	275,500	266,734	8,766
Net change in fund balances	70,700	73,700	80,924	7,224
Fund balances – beginning of year	528,489	528,489	528,489	-
Fund balances – end of year	\$ 599,189	\$ 602,189	\$ 609,413	\$ 7,224

Notes to Schedule:

The preparation, adoption, and amendment of the budgets is governed by Florida Statutes, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control.

Supplementary Information

Supplementary Information

NONMAJOR GOVERNMENTAL FUNDS

BCC Technology Fund – This fund is used to account for additional service charges collected by the Office and used by the Board of County Commissioners to fund state-mandated court technology improvement and upgrades.

CGD Supplementary Fee – To account for monies to upgrade the child support enforcement program. Financing is provided primarily through fees.

Records Modernization Fund – This fund is used to account for fees collected and associated expenditures related to equipment upgrades and modernization of all official records of the County.

Teen Court – To account for donations received from the general public for the operation and administration of the Teen Court System.

Clay County Archives – To account for donations received from the general public to promote historical documents.

Clay County, Florida Clerk of the Circuit Court

Combining Balance Sheet
Nonmajor Governmental Funds
As of September 30, 2019

	BCC Technology Fund	CGD Supplementary Fee	Records Modernization	Teen Court	Clay County Archives	Total
Assets						
Cash & cash equivalents	\$ 8,583	\$ 5,751	\$ 140,955	\$ 30,665	\$ 8,750	\$ 194,704
Investments	-	1,247	81,427	-	-	82,674
Due from other funds	1,980	-	-	-	-	1,980
Prepaid expenditures	6,732	-	-	-	-	6,732
Total assets	\$ 17,295	\$ 6,998	\$ 222,382	\$ 30,665	\$ 8,750	\$ 286,090
Liabilities and fund balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 17,295	\$ -	\$ -	\$ -	\$ -	\$ 17,295
Due to other funds	-	-	2,697	-	-	2,697
Total liabilities	17,295	-	2,697	-	-	19,992
Fund balances:						
Nonspendable	6,732	-	-	-	-	6,732
Restricted	-	6,998	219,685	30,665	8,750	266,098
Unassigned	(6,732)	-	-	-	-	(6,732)
Total liabilities and fund balances	\$ 17,295	\$ 6,998	\$ 222,382	\$ 30,665	\$ 8,750	\$ 286,090

Clay County, Florida Clerk of the Circuit Court

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year ended September 30, 2019

	BCC Technology Fund	CGD Supplementary Fee	Records Modernization	Teen Court	Clay County Archives	Total
Revenues						
Charges for services	\$ -	\$ 230	\$ 115,276	\$ -	\$ -	\$ 115,506
Miscellaneous revenue	-	51	3,300	9,445	7,703	20,499
Total revenues	-	281	118,576	9,445	7,703	136,005
Expenditures						
General government:						
Operating expenditures	-	-	152,116	-	9,010	161,126
Court related:						
Personal services	97,458	-	-	-	-	97,458
Operating expenditures	230,123	-	-	14,863	-	244,986
Capital outlay	8,021	-	-	-	-	8,021
Total expenditures	335,602	-	152,116	14,863	9,010	511,591
Excess of revenues over (under) expenditures	(335,602)	281	(33,540)	(5,418)	(1,307)	(375,586)
Other financing source (uses)						
Appropriation from Board of County Commissioners						
	328,870	-	-	-	-	328,870
Total other financing sources (uses)	328,870	-	-	-	-	328,870
Net change in fund balances	(6,732)	281	(33,540)	(5,418)	(1,307)	(46,716)
Fund balances - beginning of year	-	6,717	253,225	36,083	10,057	306,082
Change in prepaid expenditures	6,732	-	-	-	-	6,732
Fund balances - end of year	\$ -	\$ 6,998	\$ 219,685	\$ 30,665	\$ 8,750	\$ 266,098

Supplementary Information

FIDUCIARY FUNDS – AGENCY FUNDS

General Trust Fund – A central clearing account for all monies received, and the receipt and disbursement of fines and services charges.

Central Government Depository Fund – To account for the collection and disbursement of court-ordered alimony, child support payments and juvenile restitution.

Registry of Court Fund – To account for the collection and disbursement of deposits required by the Circuit and County Court legal actions.

Jury Witness Fund – To account for the receipt and disbursement of the Jury Witness Fund required by the Court.

Clay County, Florida Clerk of the Circuit Court

Combining Statement of Fiduciary Net Position
 Agency Funds
 As of September 30, 2019

	General Trust Fund	Central Government Depository (CGD) Fund	Registry of Court Fund	Jury Witness Fund	Total
Assets					
Cash	\$ 3,050,137	\$ 1,142	\$ 2,899,428	\$ 4,473	\$ 5,955,180
Receivables	5,849	1,425	-	-	7,274
Total assets	3,055,986	2,567	2,899,428	4,473	5,962,454
Liabilities					
Assets held for others	2,947,401	2,567	2,899,428	4,473	5,853,869
Assets held for county agencies	108,585	-	-	-	108,585
Total liabilities	3,055,986	2,567	2,899,428	4,473	5,962,454
Net position	\$ -	\$ -	\$ -	\$ -	-

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have audited the financial statements of the office of the Clay County, Florida Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2019, and have issued our report thereon dated March 17, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Reports on examinations conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 17, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carri Riggs & Ingram, L.L.C.

St. Augustine, Florida

March 17, 2020

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

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Clay County, Florida Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated March 17, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carri Riggs E. Ingram, L.L.C.

St. Augustine, Florida
March 17, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have examined the Clay County, Florida Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 17, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have examined the Clay County, Florida Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 17, 2020



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have examined the Clay County, Florida Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 17, 2020

Clay County, Florida Sheriff

Audit Report

September 30, 2019



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INGRAM

CPAs and Advisors

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September 30, 2019**

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INDEPENDENT AUDITORS' REPORT

The Honorable Darryl Daniels
Sheriff
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Clay County, Florida Sheriff (the "Office") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2020 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 21, 2020

**Balance Sheet – Governmental Funds
As of September 30, 2019**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash	\$ 5,485,780	\$ 908,556	\$ 6,394,336
Accounts receivable	63,279	53,534	116,813
Due from other governments	51,249	-	51,249
Due from other funds	14,487	205	14,692
Inventory	287,642	236	287,878
Total assets	\$ 5,902,437	\$ 962,531	\$ 6,864,968
Liabilities and fund balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 3,154,115	\$ 3,043	\$ 3,157,158
Due to other funds	-	14,487	14,487
Due to other county agencies	2,449,800	365,607	2,815,407
Due to other governmental units	10,880	-	10,880
Total liabilities	5,614,795	383,137	5,997,932
Fund balances:			
Nonspendable - inventory	287,642	236	287,878
Restricted:			
Special law enforcement	-	8,638	8,638
Benefit of inmates	-	570,520	570,520
Total fund balances	287,642	579,394	867,036
Total liabilities and fund balances	\$ 5,902,437	\$ 962,531	\$ 6,864,968

See accompanying notes.

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2019**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Fines and forfeitures	\$ -	\$ 5,239	\$ 5,239
Miscellaneous revenue	137,070	380,966	518,036
Total revenue	137,070	386,205	523,275
Expenditures			
Current:			
Public safety:			
Personal services	37,445,130	365,482	37,810,612
Operating expenditures	7,057,060	450,697	7,507,757
Capital outlay	800,189	1,362,260	2,162,449
Court-related:			
Personal services	1,234,728	-	1,234,728
Operating expenditures	255,068	-	255,068
Capital outlay	-	-	-
Total expenditures	46,792,175	2,178,439	48,970,614
Excess of revenues under expenditures	(46,655,105)	(1,792,234)	(48,447,339)
Other financing sources (uses)			
Appropriations from Board of County Commissioners	48,987,951	2,184,629	51,172,580
Reversion to Board of County Commissioners	(2,332,846)	(365,607)	(2,698,453)
Total other financing sources (uses)	46,655,105	1,819,022	48,474,127
Net change in fund balances	-	26,788	26,788
Fund balances - beginning of year	314,712	552,674	867,386
Change in inventory	(27,070)	(68)	(27,138)
Fund balances - end of year	\$ 287,642	\$ 579,394	\$ 867,036

See accompanying notes.

Clay County, Florida Sheriff

Statement of Fiduciary Net Position
As of September 30, 2019

	Agency Funds
<hr/>	
Assets	
Cash	\$ 99,742
Amounts due from others	33,058
<hr/>	
Total assets	132,800
<hr/>	
Liabilities	
Assets held for others	51,099
Due to other funds	205
Due to other governments	685
Due to other county agencies	80,811
<hr/>	
Total liabilities	132,800
<hr/>	
Net position	\$ -
<hr/> <hr/>	

See accompanying notes.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County, Florida Sheriff (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

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

The Office reports the following major governmental fund:

General Fund – the General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

The Office also reports the following fiduciary fund:

Agency Funds – The Agency Funds are used to account for resources held in a custodial capacity.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

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

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

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

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

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

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Cash and Equivalent

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Inventory

Auto parts and supplies inventory is valued at average cost and other inventory is valued at cost (first-in, first-out). Inventory is accounted for using the “purchases” method.

Accounts receivable

Accounts receivable consist primarily of commissions earned from inmate commissary transactions and secondary employment fees. Management considers these fully collectible and no allowance for bad debts has been provided.

NOTE 2 – INVENTORY

Inventories consist of:

Auto parts and supplies	\$	35,280
Radio parts		40,926
Armory weapons and ammunition		211,672
Total inventory	\$	287,878

Notes to Financial Statements

NOTE 3 – INTERFUND BALANCES

The following interfund balances arose through the normal course of operations.

	Due from Other Funds	Due to Other Funds
General fund	\$ 14,487	\$ -
Inmate welfare fund	205	14,487
Agency funds	-	205
Totals	\$ 14,692	\$ 14,692

NOTE 4 – RISK MANAGEMENT

The County carries commercial insurance for certain general risks which covers the Board of County Commissioners and all Constitutional Officers. There were no significant reductions in this insurance coverage during the current year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

For health insurance and worker’s compensation, the County has a self-insurance program which covers the Board of County Commissioners and all the Constitutional Officers and is reported through the use of an internal service fund, which is recorded in the County-wide financial statements. The Board provides this coverage with no charge to the Constitutional Officers. Please refer to the notes to the County-wide financial statements for further information on the County’s self-insurance program.

The Office participates in the Florida Sheriffs’ self-insurance fund, a public entity risk pool, for risk related to professional police liability and certain tangible personal property. Aggregate coverage is \$5,000,000. In addition, the Office insures its vehicles with a policy through the Florida Sheriff’s Insurance Agency. The Office had no settlements that exceeded coverage and has not received additional assessments from the coverage in the previous three fiscal years.

Required Supplementary Information

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous revenue	\$ -	\$ -	\$ 137,070	\$ 137,070
Expenditures				
Current:				
Public safety:				
Personal services	38,524,418	38,524,418	37,445,130	1,079,288
Operating expenditures	7,891,828	7,891,828	7,057,060	834,768
Capital outlay	1,007,754	1,007,754	800,189	207,565
Court related:				
Personal services	1,301,480	1,301,480	1,234,728	66,752
Operating expenditures	262,471	262,471	255,068	7,403
Total expenditures	48,987,951	48,987,951	46,792,175	2,195,776
Excess of revenues under expenditures	(48,987,951)	(48,987,951)	(46,655,105)	2,332,846
Other financing sources (uses)				
Appropriation from Board of County Commissioners	48,987,951	48,987,951	48,987,951	-
Reversion to Board of County Commissioners	-	-	(2,332,846)	(2,332,846)
Total other financing sources (uses)	48,987,951	48,987,951	46,655,105	(2,332,846)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	314,712	314,712
Change in inventory	-	-	(27,070)	(27,070)
Fund balances - end of year	\$ -	\$ -	\$ 287,642	\$ 287,642

Notes to schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

Clay County Sheriff's Office – Fund Descriptions

Non-Major Governmental Funds

Inmate Welfare Fund – This fund is used to account for commissions received, deposits of money, refunds or rebates from inmate commissary, inmate phone services, and miscellaneous revenues at the Clay County jail. All money and property deposited in the Inmate Welfare fund is managed by the Sheriff and Inmate Welfare Committee for the overall benefit of the inmates.

Grant Fund – The fund is used to account from the revenues and expenditures associated with federal, state and local grants awarded to the Clay County Sheriff's Office.

2nd Dollar Sheriff Education Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with criminal justice training and education as per Florida Statute 938.15.

Drug Investigative Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with drug investigations and other law enforcement uses.

Federal Forfeiture-Law Enforcement Trust Fund – This fund is used to account for the proceeds of confiscated property that is legally restricted to specific activities.

Crime Prevention Program Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with the agency's crime prevention programs and initiatives.

\$12.50 Motor Vehicle Surcharge Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with repair and maintenance of the Clay County 800 MHz Public Safety Radio Communications System.

Capital Improvement Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with major capital improvement projects in the area of public safety. This fund is mostly funded with infrastructure surtax, 2nd Local Option fuel tax, and interest earnings.

Clay County Sheriff's Office – Fund Descriptions

Fiduciary Funds – Agency Funds

Agency Funds – The Agency Funds are used to account for funds held in a custodial capacity which include the following:

Depositors Fund – This fund is used to account for the receipt and subsequent activities of monies temporarily held for others.

Seized Assets Fund – This fund is used to account for funds that have been seized by the agency under the provisions of the Florida Contraband Forfeiture Act and are pending award by the Court.

Inmate Fund – This fund is used to account for the receipt and subsequent activity of funds temporarily held for the inmates of the Clay County Jail.

**Schedule of Expenditures - General Fund
Year ended September 30, 2019**

	Court Costs	Law Enforcement	Corrections/ Detention	Public Safety	Total
Personal services:					
Executive salaries	\$ -	\$ 147,029	\$ -	\$ -	\$ 147,029
Regular salaries and wages	932,082	19,880,857	6,827,241	938,351	28,578,531
Other salaries and wages	6,080	76,494	50,218	-	132,792
Overtime	1,834	530,637	208,670	5,166	746,307
Special pay	14,369	427,473	117,672	12,559	572,073
FICA taxes	69,163	1,540,851	524,354	68,033	2,202,401
Retirement contributions	206,006	4,134,550	1,536,834	241,967	6,119,357
Life and health benefits	5,194	135,224	35,603	4,046	180,067
Unemployment compensation	-	1,301	-	-	1,301
Total personal services	1,234,728	26,874,416	9,300,592	1,270,122	38,679,858
Operating expenditures:					
Professional services - inmate medical	-	-	836,433	-	836,433
Professional services - other	667	56,758	6,143	10,304	73,872
Contractual services - inmate food	-	-	518,868	-	518,868
Contractual services - licenses and support	14,547	668,990	125,748	11,643	820,928
Contractual services - other	187,085	171,996	33,314	1,031	393,426
Investigations	-	14,621	-	-	14,621
Travel and per diem	883	142,046	24,233	853	168,015
Communication services	6,742	384,620	47,665	8,071	447,098
Freight and postage	226	17,953	5,508	136	23,823
Utility services	-	957	-	-	957
Rentals and leases	-	31,982	7,584	3,774	43,340
Insurance	19,377	770,326	217,300	27,246	1,034,249
Repair and maintenance services	1,691	382,336	11,136	2,354	397,517
Printing and binding	-	2,397	-	-	2,397
Promotional activities - advertising	-	2,089	71	-	2,160
Other current charges and obligations	9	21,200	9,581	1,252	32,042
Office supplies and materials	213	264,042	79,159	501	343,915
Operating supplies and materials	19,533	1,426,312	407,459	35,471	1,888,775
Dues, memberships, subscriptions and books	307	25,106	4,596	-	30,009
Non-capital equipment	-	0	-	1,395	1,395
Training and education	3,788	184,175	46,512	3,813	238,288
Total operating expenditures	255,068	4,567,906	2,381,310	107,844	7,312,128
Capital outlay:					
Data processing equipment	-	524,574	6,776	-	531,350
Machinery and equipment	-	185,615	29,458	25,441	240,514
Vehicles	-	28,325	-	-	28,325
Total capital outlay	-	738,514	36,234	25,441	800,189
Total expenditures	\$ 1,489,796	\$ 32,180,836	\$ 11,718,136	\$ 1,403,407	\$ 46,792,175

Combining Balance Sheet
 Nonmajor Governmental Funds
 As of September 30, 2019

	Inmate Welfare Fund	Grant Fund	2nd Dollar Sheriff Education Fund	Drug Investigative Fund	Federal Forfeiture -Law Enforcement Trust Fund	Crime Prevention Program Fund	\$12.50 Motor Vehicle Surcharge Fund	Capital Improvement Fund	Total
Assets									
Cash and equivalents	\$ 534,881	\$ 20,978	\$ 695	\$ 14,200	\$ 57,357	\$ 158	\$ 54,718	\$ 225,569	\$ 908,556
Accounts receivable	52,964	-	-	24	99	-	93	354	53,534
Due from other funds	205	-	-	-	-	-	-	-	205
Inventory	-	-	-	-	-	-	236	-	236
Total assets	\$ 588,050	\$ 20,978	\$ 695	\$ 14,224	\$ 57,456	\$ 158	\$ 55,047	\$ 225,923	\$ 962,531
Liabilities and fund balances									
Liabilities									
Accounts payable and accrued liabilities	\$ 3,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,043
Due to other funds	14,487	-	-	-	-	-	-	-	14,487
Due to other county agencies	-	20,978	695	14,224	48,818	158	54,811	225,923	365,607
Total liabilities	17,530	20,978	695	14,224	48,818	158	54,811	225,923	383,137
Fund balances									
Nonspendable - inventory	-	-	-	-	-	-	236	-	236
Restricted:									
Special law enforcement	-	-	-	-	8,638	-	-	-	8,638
Benefit of inmates	570,520	-	-	-	-	-	-	-	570,520
Total fund balances	570,520	-	-	-	8,638	-	236	-	579,394
Total liabilities and fund balances	\$ 588,050	\$ 20,978	\$ 695	\$ 14,224	\$ 57,456	\$ 158	\$ 55,047	\$ 225,923	\$ 962,531

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2019**

	Inmate Welfare Fund	Grant Fund	2nd Dollar Sheriff Education Fund	Drug Investigative Fund	Federal Forfeiture -Law Enforcement Trust Fund	Crime Prevention Program Fund	\$12.50 Motor Vehicle Surcharge Fund	Capital Improvement Fund	Total
Revenues									
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -	\$ 5,239	\$ -	\$ -	\$ -	\$ 5,239
Miscellaneous revenue	356,711	6,500	-	367	2,364	151	741	14,132	380,966
Total revenue	356,711	6,500	-	367	7,603	151	741	14,132	386,205
Expenditures									
Public safety:									
Personal services	174,622	95,860	-	-	-	95,000	-	-	365,482
Operating expenditures	120,837	38,899	49,305	46,143	17,055	44,993	5,930	127,535	450,697
Capital outlay	15,002	47,754	-	-	90,192	-	-	1,209,312	1,362,260
Total expenditures	310,461	182,513	49,305	46,143	107,247	139,993	5,930	1,336,847	2,178,439
Excess of revenues over (under) expenditures	46,250	(176,013)	(49,305)	(45,776)	(99,644)	(139,842)	(5,189)	(1,322,715)	(1,792,234)
Other financing sources (uses)									
Appropriation from Board of County Commissioners	-	196,991	50,000	60,000	129,000	140,000	60,000	1,548,638	2,184,629
Reversion to Board of County Commissioners	-	(20,978)	(695)	(14,224)	(48,818)	(158)	(54,811)	(225,923)	(365,607)
Total other financing sources (uses)	-	176,013	49,305	45,776	80,182	139,842	5,189	1,322,715	1,819,022
Net change in fund balances	46,250	-	-	-	(19,462)	-	-	-	26,788
Fund balances - beginning of year	524,270	-	-	-	28,100	-	304	-	552,674
Change in inventory	-	-	-	-	-	-	(68)	-	(68)
Fund balances - end of year	\$ 570,520	\$ -	\$ -	\$ -	\$ 8,638	\$ -	\$ 236	\$ -	\$ 579,394

**Combining Statement of Fiduciary Net Position
Agency Funds
As of September 30, 2019**

	Depositors Fund	Seized Assets Fund	Inmate Fund	Total Agency Funds
Assets				
Cash	\$ 50,936	\$ 14,300	\$ 34,506	\$ 99,742
Amounts due from others	31,113	-	1,945	33,058
Total assets	82,049	14,300	36,451	132,800
Liabilities				
Assets held for others	10,866	14,300	25,933	51,099
Due to other funds	-	-	205	205
Due to other governments	-	-	685	685
Due to other county agencies	71,183	-	9,628	80,811
Total liabilities	82,049	14,300	36,451	132,800
Net position	\$ -	\$ -	\$ -	\$ -

**Additional Elements Required by the
Rules of the Auditor General**



MANAGEMENT LETTER

The Honorable Darryl Daniels
Sheriff
Clay County, Florida

We have audited the financial statements of the office of the Clay County, Florida Sheriff (the "Office"), as of and for the year ended September 30, 2019, and have issued our report thereon dated February 21, 2020

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 21, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carri Riggs & Ingram, L.L.C.

St. Augustine, Florida

February 21, 2020

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

The Honorable Darryl Daniels
Sheriff
Clay County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Clay County, Florida Sheriff (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 21, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 21, 2020



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Darryl Daniels
Sheriff
Clay County, Florida

We have examined the office of the Clay County, Florida Sheriff's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 21, 2020

Clay County, Florida Tax Collector

Audit Report

September 30, 2019



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September 30, 2019

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INDEPENDENT AUDITORS' REPORT

The Honorable Jimmy Weeks
Tax Collector
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the Clay County, Florida Tax Collector (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Office as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2020, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 10, 2020



Clay County, Florida Tax Collector

Balance Sheet – Governmental Funds
As of September 30, 2019

	General Fund
<hr/>	
Assets	
Equity in pooled cash and equivalents	\$ 1,599,660
<hr/> <hr/>	
Liabilities and fund balance	
Liabilities	
Due to other county agencies	\$ 1,585,761
Due to other governments	13,899
<hr/>	
Total liabilities	1,599,660
Fund balance	-
<hr/>	
Total liabilities and fund balance	\$ 1,599,660
<hr/> <hr/>	

See accompanying notes.

Clay County, Florida Tax Collector

Statement of Revenues, Expenditures and Changes in Fund Balance
 Governmental Funds
 Year ended September 30, 2019

	General Fund
Revenues	
Charges for services	\$ 5,921,369
Miscellaneous revenue	47,511
Total revenues	5,968,880
Expenditures	
General government services:	
Personnel services	3,405,926
Operating expenditures	920,055
Capital outlay	57,138
Total expenditures	4,383,119
Excess of revenues over expenditures	1,585,761
Other financing uses	
Reversion to Board of County Commissioners	(1,585,761)
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

See accompanying notes.



Clay County, Florida Tax Collector

Statement of Fiduciary Net Position
As of September 30, 2019

	Agency Funds
<hr/>	
Assets	
Equity in pooled cash and equivalents	\$ 2,338,078
Accounts receivable	94,322
<hr/>	
Total assets	2,432,400
<hr/>	
Liabilities	
Assets held for others	2,319,297
Due to other county agencies	113,103
<hr/>	
Total liabilities	2,432,400
<hr/>	
Net position	\$ -
<hr/> <hr/>	

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County Tax Collector (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

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

The Office reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

The Office also reports the following fiduciary funds:

Agency Funds – Agency Funds are used to account for assets held in a custodial capacity.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

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

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

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

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by: (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

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

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Clay County Board of County Commissioners.

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

Equity in Pooled Cash and Equivalents

The Office maintains a cash and equivalents pool that is available for use by all funds. Each fund's portion of this pool is displayed on the balance sheet as "Equity in Pooled Cash and Equivalents." If a fund overdraws its account in the pool, a liability and corresponding receivable (i.e., due to/from other funds) are reported on the balance sheet. All pooled cash is placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Notes to Financial Statements

NOTE 2 – OPERATING LEASE COMMITMENTS

The Office leases premises in Orange Park and Keystone Heights where its branches are located. Future minimum rental payments are as follows:

Year ended September 30,	
2020	\$ 64,044
2021	17,117
2022	17,545
2023	17,984
2024	12,289
Total	\$ 128,979

In addition to the rental payments above, the Office is also responsible for its share of the common area maintenance and real estate taxes. For the year ended September 30, 2019, the Office incurred approximately \$24,960 for these premises.

NOTE 3 – RISK MANAGEMENT

The County carries commercial insurance for certain risks, including general and auto liability, which covers the Board of County Commissioners and all Constitutional Officers. There were no significant reductions in this insurance coverage during the current year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

For health insurance and worker’s compensation, the County has a self-insurance program which covers the Board of County Commissioners and all the Constitutional Officers and is reported through the use of an internal service fund, which is recorded in the County-wide financial statements. The Board provides this coverage with no charge to the Tax Collector’s Office. Please refer to the notes to the County-wide financial statements for further information on the County’s self-insurance program.

NOTE 4 – LITIGATION AND CONTINGENT LIABILITIES

The Tax Collector is involved in various litigation arising from the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters will be resolved without a material adverse effect on the Tax Collector’s financial position.

Required Supplementary Information

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 4,562,515	\$ 4,562,515	\$ 5,921,369	\$ 1,358,854
Miscellaneous revenue	-	-	47,511	47,511
Total revenues	4,562,515	4,562,515	5,968,880	1,406,365
Expenditures				
Current:				
General government services:				
Personnel services	3,496,925	3,496,925	3,405,926	90,999
Operating expenditures	1,009,070	1,009,070	920,055	89,015
Capital outlay	56,520	56,520	57,138	(618)
Total expenditures	4,562,515	4,562,515	4,383,119	179,396
Excess of revenues over expenditures	-	-	1,585,761	1,585,761
Other financing uses				
Reversion to Board of County Commissioners	-	-	(1,585,761)	(1,585,761)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	\$ -	\$ -	\$ -	\$ -

Notes to schedule:

The budget is prepared on a basis that does not differ materially from U.S. generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

FIDUCIARY FUNDS

General Property Taxes – To account for the collection and disbursement of real and tangible property taxes.

Vehicle Tags – To account for the collection and disbursement of collections such as vehicle tag, title, sales tax and marine title fees on behalf of various State agencies.

Sport Licenses – To account for the collection and disbursement of collections for hunting and fishing licenses on behalf of various State agencies.

**Combining Statement of Fiduciary Net Position
Agency Funds
As of September 30, 2019**

	General Property Taxes	Vehicle Tags	Sports Licenses	Total
Assets				
Equity in pooled cash and equivalents	\$ 2,253,362	\$ 84,716	\$ -	\$ 2,338,078
Accounts receivable	89,199	5,123	-	94,322
Total assets	2,342,561	89,839	-	2,432,400
Liabilities				
Assets held for others	2,243,356	75,941	-	2,319,297
Due to other county agencies	99,205	13,898	-	113,103
Total liabilities	2,342,561	89,839	-	2,432,400
Net position	\$ -	\$ -	\$ -	\$ -

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable Jimmy Weeks
Tax Collector
Clay County, Florida

We have audited the financial statements of the office of the Clay County, Florida Tax Collector (the "Office"), as of and for the year ended September 30, 2019, and have issued our report thereon dated February 10, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 10, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 10, 2020

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

The Honorable Jimmy Weeks
Tax Collector
Clay County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the major fund and the aggregate remaining fund information of the office of the Clay County, Florida Tax Collector (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 10, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carri Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 10, 2020



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Jimmy Weeks
Tax Collector
Clay County, Florida

We have examined the office of the Clay County, Florida Tax Collector's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 10, 2020

**Clay County, Florida
Property Appraiser**

Audit Report

September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRlcpa.com

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September 30, 2019

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INDEPENDENT AUDITORS' REPORT

The Honorable Roger A. Suggs
Property Appraiser
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund of the Clay County, Florida Property Appraiser (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the major fund of the Office as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund, of Clay County, Florida that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2019 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carri Riggs & Ingram, L.L.C.

St. Augustine, Florida
December 11, 2019

Clay County, Florida Property Appraiser

Balance Sheet – Governmental Funds
As of September 30, 2019

	General Fund
Assets	
Cash and equivalents	\$ 195,028
Total assets	\$ 195,028
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	\$ 35,724
Due to other governments	2,753
Due to other county agencies	156,551
Total liabilities	195,028
Fund balance	-
Total liabilities and fund balance	\$ 195,028

See accompanying Notes.

Clay County, Florida Property Appraiser

Statement of Revenues, Expenditures and Changes in Fund Balance
 Governmental Funds
 Year ended September 30, 2019

	General Fund
Revenues	
Charges for services	\$ 45,038
Miscellaneous revenues	1,681
Total revenues	46,719
Expenditures	
Current:	
General government:	
Personal services	2,159,000
Operating expenditures	433,242
Capital outlay	9,636
Total expenditures	2,601,878
Excess of revenues under expenditures	(2,555,159)
Other financing sources (uses)	
Appropriation from Board of County Commissioners	2,711,506
Reversion to Board of County Commissioners	(156,347)
Total other financing sources (uses)	2,555,159
Net change in fund balance	-
Fund balance - beginning of year	-
Fund balance - end of year	\$ -

See accompanying Notes.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County, Florida Property Appraiser (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund only for that portion of the major fund of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office does not report any nonmajor funds.

The Office reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

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

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

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

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

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

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Clay County Board of County Commissioners.

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

Cash and Equivalents

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Use of Estimates

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

NOTE 2 – CONTINGENCIES AND COMMITMENTS

The Office is, during the course of normal operations, involved in various claims regarding the assessments of real and tangible personal property. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.

Notes to Financial Statements

NOTE 3 – RISK MANAGEMENT

For health insurance, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB Statement 10.

For risks of loss related to workers' compensation, general liability and errors or omissions, the Office participates with the Board of County Commissioners to purchase commercial insurance. For the past three years, there have been no insurance settlements in excess of insurance coverages.

Required Supplementary Information

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 47,713	\$ 47,735	\$ 45,038	\$ (2,697)
Miscellaneous	-	-	1,681	1,681
Total revenues	47,713	47,735	46,719	(1,016)
Expenditures				
Current:				
General government:				
Personal services	2,207,227	2,208,507	2,159,000	49,507
Operating expenditures	520,734	511,034	433,242	77,792
Capital outlay	-	9,700	9,636	64
Total expenditures	2,727,961	2,729,241	2,601,878	127,363
Excess of revenues under expenditures	(2,680,248)	(2,681,506)	(2,555,159)	126,347
Other financing sources (uses)				
Appropriation from Board of County Commissioners	2,680,248	2,681,506	2,711,506	30,000
Reversion to Board of County Commissioners	-	-	(156,347)	(156,347)
Total other financing sources (uses)	2,680,248	2,681,506	2,555,159	(126,347)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Fund balances – end of year	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable Roger A. Suggs
Property Appraiser
Clay County, Florida

We have audited the financial statements of the office of the Clay County, Florida Property Appraiser (the "Office"), as of and for the year ended September 30, 2019, and have issued our report thereon dated December 11, 2019

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated December 11, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carri Riggs & Ingram, L.L.C

St. Augustine, Florida

December 11, 2019

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

The Honorable Roger A. Suggs
Property Appraiser
Clay County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the office of the Clay County, Florida Property Appraiser (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated December 11, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida

December 11, 2019



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Roger A. Suggs
Property Appraiser
Clay County, Florida

We have examined the office of the Clay County, Florida Property Appraiser's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
December 11, 2019

Clay County, Florida Supervisor of Elections

Audit Report

September 30, 2019



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RIGGS &
INGRAM

CPAs and Advisors

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September 30, 2019

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INDEPENDENT AUDITORS' REPORT

The Honorable Chris H. Chambless
Supervisor of Elections
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund of the Clay County, Florida Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Office as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund, of Clay County, Florida that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2020 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Caru, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 14, 2020

Clay County, Florida Supervisor of Elections

Balance Sheet – Governmental Funds
September 30, 2019

	General Fund
<hr/>	
Assets	
Cash	\$ 149,896
Restricted Cash	164,208
<hr/>	
Total assets	\$ 314,104
<hr/>	
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	\$ 41,755
Due to other county agencies	108,641
<hr/>	
Total liabilities	150,396
Fund balance:	
Restricted - state elections grants	163,708
<hr/>	
Total liabilities and fund balance	\$ 314,104
<hr/>	

See accompanying notes.

Clay County, Florida Supervisor of Elections

**Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2019**

	General Fund
Revenues	
Intergovernmental	\$ 47,123
Miscellaneous revenues	6,002
Total revenues	53,125
Expenditures	
Current:	
General government:	
Personal services	979,967
Operating expenditures	631,487
Capital outlay	58,521
Total expenditures	1,669,975
Excess of revenues under expenditures	(1,616,850)
Other financing sources (uses)	
Appropriation from board of county commissioners	1,669,343
Reversion to board of county commissioners	(108,580)
Total other financing sources (uses)	1,560,763
Net change in fund balance	(56,087)
Fund balance - beginning of year	219,795
Fund balance - end of year	\$ 163,708

See accompanying notes.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County, Florida Supervisor of Elections (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund only for that portion of the major fund of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office does not report any nonmajor funds.

The Office reports the following major governmental fund:

General Fund - the General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fund balance classifications specified in GASB Statement No. 54 are as follows:

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

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

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

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

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

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. 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 Office considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Clay County Board of County Commissioners.

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

Cash

All cash is placed in banks that qualify as public depositories pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Use of Estimates

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

NOTE 2 – RISK MANAGEMENT

The County carries commercial insurance for certain risks, including general and auto liability, which covers the Board of County Commissioners and all Constitutional Officers. There were no significant reductions in this insurance coverage during the current year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

For health insurance and worker's compensation, the County has a self-insurance program which covers the Board of County Commissioners and all the Constitutional Officers and is reported through the use of an internal service fund, which is recorded in the County-wide financial statements. The Board provides this coverage with no charge to the Constitutional Officers. Please refer to the notes to the County-wide financial statements for further information on the County's self-insurance program.

Required Supplementary Information

Clay County, Florida Supervisor of Elections

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 47,123	\$ 47,123
Miscellaneous	-	-	6,002	6,002
Total revenues	-	-	53,125	53,125
Expenditures				
Current:				
General government:				
Personal services	1,057,003	1,057,003	979,967	77,036
Operating expenditures	716,630	693,031	631,487	61,544
Capital outlay	35,000	58,599	58,521	78
Total expenditures	1,808,633	1,808,633	1,669,975	138,658
Excess of revenues over (under) expenditures	(1,808,633)	(1,808,633)	(1,616,850)	191,783
Other financing source (uses)				
Appropriation from board of county commissioners	1,669,343	1,669,343	1,669,343	-
Reversion to board of county commissioners	-	-	(108,580)	(108,580)
Total other financing sources (uses)	1,669,343	1,669,343	1,560,763	(108,580)
Net change in fund balances	(139,290)	(139,290)	(56,087)	83,203
Fund balances - beginning of year	139,290	139,290	219,795	80,505
Fund balances - end of year	\$ -	\$ -	\$ 163,708	\$ 163,708

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable Chris H. Chambless
Supervisor of Elections
Clay County, Florida

We have audited the financial statements of the office of the Clay County, Florida Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2019, and have issued our report thereon dated February 14, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 14, 2020 should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carly Riggs & Ingram, L.L.C.

St. Augustine, Florida

February 14, 2020

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

The Honorable Chris H. Chambless
Supervisor of Elections
Clay 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 general fund of the Clay County, Florida Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 14, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Caru, Riggs & Ingram, L.L.C.

St. Augustine, Florida
February 14, 2020



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Chris H. Chambless
Supervisor of Elections
Clay County, Florida

We have examined the office of the Clay County, Florida Supervisor of Elections' (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

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

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

Carr, Riggs & Ingram, LLC

St. Augustine, Florida
February 14, 2020