

Washington County, Florida

Financial Statements

September 30, 2020



CRI CARR
RIGGS &
INGRAM

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**WASHINGTON COUNTY, FLORIDA
FINANCIAL STATEMENTS
September 30,**

BOARD OF COUNTY COMMISSIONERS

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**SUPERVISOR OF ELECTIONS
Carol F. Rudd**

**COUNTY ATTORNEY
Matthew Fuqua**

**AUDITOR
Carr, Riggs & Ingram, LLC**

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FINANCIAL STATEMENTS

Clerk of the Circuit Court

Sheriff

Property Appraiser

Supervisor of Elections

Tax Collector



Carr, Riggs & Ingram, LLC
4267 Lafayette Street
Marianna, FL 32446

INDEPENDENT AUDITORS' REPORT

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

Mailing Address:
P.O. Box 1606
Marianna, FL 32447

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Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the general fund and the major special revenue funds of Washington County, Florida (the County), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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 the financial audits contained in *Governmental 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 unmodified and qualified opinions.

The Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

Basis for Qualified Opinion for Governmental Activities

Because of inadequate accounting records, we were unable to form an opinion regarding the amounts at which property, plant, equipment, related depreciation and gain on sale of capital assets are recorded in the governmental activities. As more fully described in Note 1 to the financial statements, Washington County, Florida does not have adequate records to accurately record historical cost, gains and losses on disposition of capital assets, depreciation expense or accumulated depreciation on property, plant and equipment in its governmental activities as required by generally accepted accounting principles. The effect on the financial statements has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion for Governmental Activities” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information for Washington County, Florida, as of September 30, 2020, and the respective changes in financial position thereof and respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 4.1 to 4.7 and other required supplementary information as listed in the table of contents be presented to supplement the basic 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 the 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 Washington County, Florida’s basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of

Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* and Chapter 10.550, Rules of the Auditor General, and is also 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 29, 2021, on our consideration of Washington County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely 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 Washington County, Florida'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.

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

Marianna, Florida
June 29, 2021

MANAGEMENTS DISCUSSION AND ANALYSIS

The management of Washington County, Florida has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues; (b) provide an overview and analysis of the County's financial activities; (c) identify changes in the County's financial position; (d) identify material deviations from the approved budget; and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the County's financial statements and notes to financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2019-2020 fiscal year are as follows:

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$28,263,863.
- The County's total net position decreased by \$4,632,152 which represents a 14.08% decrease from the 2018-2019 fiscal year.
- As of the close of the current fiscal year, the County's governmental funds reported total fund balances of \$13,916,982, a decrease of \$4,829,396.
- Non-Restricted fund balance for all governmental funds total \$6,528,958 as of September 30, 2020 compared to total governmental fund balances of \$13,916,982 at the same date.
- Non-restricted Governmental Fund Balance of \$6,528,958, is different from the Unrestricted Net Position amount on the Statement of Net Position (deficit) of (\$9,920,667) due to reporting requirements regarding long-term liabilities and capital assets which are not included on the Governmental Fund Balance Sheet.
- During the current year, General Fund Revenues exceeded Expenditures and Other Financing Sources (Uses) by \$1,614,953. This is primarily due to revenues exceeding the budget amount by \$683,690 and expenditures being less than the budgeted expenditures by \$2,942,123.
- Long-term liabilities increased by \$2,599,319. This increase was primarily due to an increase in the pension liability as noted on Page 35 of the Financial Report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements

In addition, this report presents certain required supplementary information.

Government-Wide Financial Statements

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

- The statement of net position provides information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County is strengthening or weakening.
- The statement of activities presents information showing how the County's net position changed during the 2020 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 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 taxes earned, and earned but unused vacation leave).

Both of these financial statements present the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, public health and safety, physical environment, transportation, economic environment, human services, culture and recreation, and court related.

The government-wide financial statements include not only the County itself (known as the primary Government), but also the legally separate component unit of the Sunny Hills Units 12-15 Dependent District. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The Sunny Hills Units 12-15 Dependent District has separately issued financial reports which can be obtained by the individual District's office or the Washington County Board of County Commissioners. The primary government also includes a blended component unit, Northwest Florida Community Hospital District. Additional information concerning the component units is included in the Note 1 of the notes to the Financial Statements.

Fund Financial Statements

Fund financial statements are one of the components of the basic 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements. Fund financial statements provide more detailed information about the County's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide statements. All of the County's funds may be classified in the broad category of Governmental Funds and Fiduciary (Agency) Funds as discussed below.

- **Governmental Funds**-These are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. This financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. Consequently, the governmental fund statements provide a detailed short-term view that may be used to evaluate the County's near-term financing requirements. This short term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation of governmental funds to governmental activities.
- **Fiduciary (Agency) Funds**- Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the County's own programs. In its fiduciary capacity, the County is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

Infrastructure Assets

While the County has implemented the major model portions of GASB #34, the County will defer implementing the infrastructure portion (related to general government activities until some future date to be determined). Historically, a government's largest group of assets (infrastructure-roads, bridges, traffic signals, and underground pipes) have not been reported nor depreciated in government financial statements. This statement requires that these assets be valued and reported within the governmental column of the Government-wide statements. Additionally, the government must elect to either (a) depreciate these assets over their estimated useful life or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category measures and demonstrates its maintenance of locally established levels of service standards, the government may record its maintenance of locally established levels of service standards. The Government may record its cost of maintenance in lieu of depreciation.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following is a summary of the County's net position as of September 30, 2020 and September 30, 2019.

	Governmental Activities September 30, 2020	Governmental Activities September 30, 2019
Current and Other Assets	\$ 22,830,901	\$ 20,589,096
Capital Assets	35,039,789	32,741,865
Total Assets	57,870,690	53,330,961
Deferred Outflows, Pensions and OPEB	6,809,412	6,641,749
Current Liabilities	9,673,666	2,566,789
Long Term Liabilities	25,644,032	22,755,196
Total Liabilities	35,317,698	25,321,985
Deferred Inflows, Pensions and OPEB	1,098,541	1,754,710
Net Position		
Invested in Capital Position	30,263,233	31,411,635
Restricted	7,921,297	8,659,342
Unrestricted (deficit)	(9,920,667)	(7,174,962)
Total Net Position	\$ 28,263,863	\$ 32,896,015

At September 30, 2020 the largest portion of the County's net position reflected investment in capital assets (e.g. land, buildings, infrastructure and equipment), less any related outstanding debt used to acquire those assets in the amount of \$30,263,233. The County uses these capital assets to provide services to citizens consequently; these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves can't be used to liquidate these liabilities. An additional portion of the County's net position represent resources that are dedicated or subject to restrictions on how they may be used in the amount of \$7,921,297. The remaining balance of non-restricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

Statement of Activities

	Governmental Activities September 30, 2020	Governmental Activities September 30, 2019
Revenues:		
Program Revenues:		
Charges for Service	\$ 5,455,393	\$ 5,788,429
Operating Grants and Contributions	10,515,561	3,428,536
Capital Grants and Contributions	206,028	442,817
General revenues:		
Property Taxes	8,040,218	8,225,275
Local Option Taxes	3,598,089	3,990,816
Sales Tax and Other Taxes	1,044,055	1,192,512
Intergovernmental and Shared	3,126,974	3,161,559
Investment Earnings	28,334	26,172
Miscellaneous	1,055,026	2,253,842
Total Revenues	33,069,678	28,509,958
Expenses:		
Program Activities:		
General Government	8,602,215	7,261,635
Public Safety	11,179,486	8,974,552
Physical Environment	360,059	435,702
Transportation	13,192,127	7,878,848
Economic Development	1,193,143	1,245,300
Human Services	885,858	732,365
Culture and Recreation	913,970	875,547
Court Related	1,222,898	1,093,171
Interest on Long-Term Debt	152,074	169,557
Total Expenses	37,701,830	28,666,677
Change in Net Position	(4,632,152)	(156,719)
Net Position, Beginning	32,896,015	32,802,734
Prior period adjustment and change in accounting principal		250,000
Net Position Beginning, as restated		33,052,734
Net Position, Ending	\$ 28,263,863	\$ 32,896,015

Governmental activities decreased the County's net position by \$4,632,152 or approximately 14.08%. Total revenues increased by \$4,559,720 from the prior year with a major factor being an increase in operating grants & contributions. Total expenses increased by \$9,035,153 from the prior year largely due to road improvement costs.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

This section provides an analysis of the balances and transactions of individual funds. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

MAJOR GOVERNMENT FUNDS

The General Fund is the chief operating fund of the County. General operating funds of the Clerk of the Circuit Court, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections represent sub funds of the County's General Fund that are held and accounted for individually, but presented with the balance of the Board of County Commissioners' operating funds.

At the end of the current fiscal year, the total non-restricted General Fund balance was \$10,683,982 while the total fund balance was \$10,821,573. As a measure of the General Fund's liquidity, it may be useful to compare both the non-reserved fund balance and the total fund balance to total General Fund expenditures. Non-reserved fund balance represents 95.21% of the total general fund expenditures, while total fund balance represents 96.43% of the same amount. The non-reserved total governmental fund balance decreased by \$3,555,080 during 2019-2020 fiscal year due primarily to the cost of road improvements not yet reimbursed through grant proceeds.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the course of the 2019-2020 fiscal year, the County amended its General Fund Budget one time to address a small increase in revenues and expenditures. Variances disclosed on the budget and actual statements are considered normal to the County's operations.

CAPITAL ASSETS

The County's investment in capital assets for its governmental activities as of September 30, 2020 amounted to \$35,039,789 net of accumulated depreciation. This investment in capital assets includes land, buildings and fixed equipment, furniture, fixtures, and equipment. Costs for past road and other infrastructure have not been included, but will be reflected in a future report when the information is collected.

LONG-TERM DEBT

At the end of fiscal year ended September 30, 2020, the County had long-term liabilities totaling \$26,403,779. Of this amount, inter-local agreement payables outstanding were \$153,000, Notes Payable were \$4,355,486, and Capital leases were \$421,070. Also, there is \$718,560 to address compensated absences obligations, \$20,400,591 for pension liability (GASB 68), \$20,371 for landfill post closure costs and the remaining amount of \$334,701 for OPEB liabilities.

ECONOMIC FACTORS-WASHINGTON COUNTY, FLORIDA

The unemployment rate for County was 4.7% at September 2020. The rate was 3.0% at September, 2019.

Population is estimated at 24,896 as of September 2020 and 24,922 as of September, 2019.

The taxable value for personal and real property in the County is \$936,556,912 for fiscal year ending September 30, 2020 and \$856,662,571 for the fiscal year ending September 30, 2019.

The general ad valorem tax mileage rate was 8.7235 for the fiscal year ending September 30, 2020 and 8.9735 for the fiscal year ending September 30, 2019.

The budgeted expenditures for the fiscal year ending September 30, 2020 represents an increase of 1.80% over the September 30, 2019 budget.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Washington County's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Washington County Board of County Commissioners, Washington County, Florida.

Washington County, Florida

Statement of Net Position

September 30, 2020

	Primary Government Governmental Activities	Component Unit
Assets		
Cash and cash equivalents	\$ 5,965,935	\$ 1,062
Restricted cash and cash equivalents	7,921,297	-
Accounts receivable, net	2,095,711	-
Due from agency funds	2,144	-
Due from other governments	4,322,420	-
Inventory	125,417	-
Due from developer	-	3,411
Prepaid expenses	3,079	-
Notes receivable	2,394,898	-
Capital assets, net		
Nondepreciable capital assets	4,819,933	1,770,313
Depreciable capital assets, net	30,219,856	-
Total assets	57,870,690	1,774,786
Deferred outflows of resources		
Other post-employment benefits	34,399	-
Pension	6,775,013	-
Total deferred outflows of resources	6,809,412	-
Liabilities		
Accounts payable and accrued expenses	2,767,339	3,410
Due to other governments	54,443	-
Due to agency funds	183	-
Unearned revenue	6,091,954	-
Long-term liabilities		
Portion due or payable within one year		
Notes payable	472,598	-
Capital leases payable	127,216	-
Interlocal agreement payable	4,500	-
Compensated absences	135,062	-
Landfill closure liability	20,371	-
Portion due or payable after one year		
Notes payable	3,882,888	-
Capital leases payable	293,854	-
Interlocal agreement payable	148,500	-
Compensated absences	583,498	-
Pension Liability	20,400,591	-
Other post-employment benefits	334,701	-
Total liabilities	35,317,698	3,410
Deferred inflows of resources		
Other post-employment benefits	98,413	-
Pension	1,000,128	-
Total deferred inflows of resources	1,098,541	-
Net position		
Net investment in capital assets	30,263,233	1,770,313
Restricted	7,921,297	-
Unrestricted (deficit)	(9,920,667)	1,063
Total net position	\$ 28,263,863	\$ 1,771,376

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

Washington County, Florida

Statement of Activities

For the year ended September 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for	Operating Grants and	Capital Grants and	Primary Governmental Activities	Component Unit
		Services	Contributions	Contributions		
Primary Government						
Governmental activities						
General government	\$ 8,602,215	\$ 1,313,532	\$ 1,951,336	\$ -	\$ (5,337,347)	\$ -
Public safety	11,179,486	3,451,397	4,210,971	-	(3,517,118)	-
Physical environment	360,059	-	90,909	-	(269,150)	-
Transportation	13,192,127	-	1,983,128	206,028	(11,002,971)	-
Economic environment	1,193,143	-	1,889,680	-	696,537	-
Human services	885,858	-	44,464	-	(841,394)	-
Culture and recreation	913,970	-	252,406	-	(661,564)	-
Court related	1,222,898	690,464	92,667	-	(439,767)	-
Interest on long-term debt	152,074	-	-	-	(152,074)	-
Total governmental activities	37,701,830	5,455,393	10,515,561	206,028	(21,524,848)	-
Total primary government	\$ 37,701,830	\$ 5,455,393	\$ 10,515,561	\$ 206,028	(21,524,848)	-
Component Unit	\$ 23,778	\$ -	\$ 23,749	\$ -	-	(29)
General revenues						
Taxes						
Property taxes					8,040,218	-
Local option taxes					3,598,089	-
Sales tax and other taxes					1,044,055	-
Intergovernmental and shared revenue					3,126,974	-
Investment earnings					28,334	-
Miscellaneous					1,101,752	-
Transfers out to State of Florida					(46,726)	-
Total general revenues and transfers					16,892,696	-
Change in net position					(4,632,152)	(29)
Net position, beginning					32,896,015	1,771,405
Net position, ending					\$ 28,263,863	\$ 1,771,376

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

Washington County, Florida

Balance Sheet

Governmental Funds

September 30, 2020

	General Fund	Transportation Trust	Local Housing Assistance Trust (SHIP)	Hurricane Michael	CARES Act	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 1,499,626	\$ -	\$ -	\$ 2,280,697	\$ 1,111,211	\$ 1,074,401	\$ 5,965,935
Restricted cash and cash equivalents	137,591	2,211,657	2,828,426	-	-	2,743,623	7,921,297
Accounts receivable, net	-	-	-	-	-	2,095,711	2,095,711
Due from agency funds	87	-	-	-	-	2,057	2,144
Due from other funds	6,702,555	2,067,384	-	-	30,543	58,765	8,859,247
Due from other governmental units	938,228	1,232,973	-	-	2,151,219	-	4,322,420
Inventory	-	125,417	-	-	-	-	125,417
Prepaid expenses	1,962	-	-	-	-	1,117	3,079
Note receivable	2,394,898	-	-	-	-	-	2,394,898
Total assets	\$ 11,674,947	\$ 5,637,431	\$ 2,828,426	\$ 2,280,697	\$ 3,292,973	\$ 5,975,674	\$ 31,690,148
Liabilities							
Accounts payable and accrued expenses	\$ 451,765	\$ 94,449	\$ 735	\$ 445,752	\$ 403,332	\$ 1,371,306	\$ 2,767,339
Due to other funds	400,807	8,079	-	4,043,443	2,933,564	1,473,354	8,859,247
Due to agency funds	183	-	-	-	-	-	183
Due to other governmental units	-	-	-	-	-	54,443	54,443
Unearned revenue	619	19,778	2,774,146	3,255,784	-	41,627	6,091,954
Total liabilities	853,374	122,306	2,774,881	7,744,979	3,336,896	2,940,730	17,773,166
Fund balances							
Nonspendable	2,394,898	125,417	-	-	-	-	2,520,315
Restricted	137,591	5,389,708	53,545	-	-	1,807,180	7,388,024
Committed	-	-	-	-	-	864,306	864,306
Assigned	-	-	-	-	-	363,458	363,458
Unassigned (deficit)	8,289,084	-	-	(5,464,282)	(43,923)	-	2,780,879
Total fund balances	10,821,573	5,515,125	53,545	(5,464,282)	(43,923)	3,034,944	13,916,982
Total liabilities and fund balances	\$ 11,674,947	\$ 5,637,431	\$ 2,828,426	\$ 2,280,697	\$ 3,292,973	\$ 5,975,674	
Amounts reported for governmental activities in the statement of net position are different because:							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.							35,039,789
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.							(26,403,779)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.							
Deferred outflows of resources - OPEB							34,399
Deferred inflows of resources - OPEB							(98,413)
Deferred outflows of resources - pensions							6,775,013
Deferred inflows of resources - pensions							(1,000,128)
Net position of governmental activities							\$ 28,263,863

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

Washington County, Florida

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the year ended September 30, 2020

	General Fund	Transportation Trust	Local Housing Assistance Trust (SHIP)	Hurricane Michael	CARES Act	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 10,339,587	\$ 1,798,931	\$ -	\$ -	\$ -	\$ 543,844	\$ 12,682,362
Licenses and permits	1,433,528	12,852	-	-	-	243,943	1,690,323
Intergovernmental	1,932,941	875,052	-	-	-	318,981	3,126,974
Charges for services	1,313,532	-	-	-	-	2,449,237	3,762,769
Fines and forfeitures	2,301	-	-	-	-	-	2,301
Grants	181,331	21,654	475,609	973,037	3,262,430	5,807,528	10,721,589
Investment earnings	6,363	9,608	-	-	-	12,363	28,334
Other fees and miscellaneous revenue	709,287	299,372	-	-	-	96,657	1,105,316
Total revenues	15,918,870	3,017,469	475,609	973,037	3,262,430	9,472,553	33,119,968
Expenditures							
Current							
General government	6,769,794	-	-	-	-	233,397	7,003,191
Public health and safety	2,739,089	-	-	14,964	3,306,353	3,354,481	9,414,887
Physical environment	172,622	-	-	-	-	431,718	604,340
Transportation	-	2,487,962	-	5,539,039	-	3,575,710	11,602,711
Economic environment	239,758	-	475,608	-	-	399,134	1,114,500
Human services	694,559	-	-	-	-	49,630	744,189
Culture and recreation	125,332	-	-	-	-	719,326	844,658
Court related	37,692	-	-	-	-	1,054,389	1,092,081
Capital outlay	356,850	2,935,653	-	-	-	1,621,864	4,914,367
Debt service							
Principal	76,943	53,737	-	-	-	406,960	537,640
Interest and other charges	8,643	11,675	-	-	-	131,756	152,074
Total expenditures	11,221,282	5,489,027	475,608	5,554,003	3,306,353	11,978,365	38,024,638
Excess (deficiency) of revenues over (under) expenditures	4,697,588	(2,471,558)	1	(4,580,966)	(43,923)	(2,505,812)	(4,904,670)
Other financing sources (uses)							
Transfers in	41,408	648,251	-	-	-	2,503,295	3,192,954
Transfers out	(3,124,043)	-	-	(16,686)	-	(52,225)	(3,192,954)
Installment loan proceeds	-	-	-	-	-	125,000	125,000
Transfers out to State of Florida	-	-	-	-	-	(46,726)	(46,726)
Net other financing sources (uses)	(3,082,635)	648,251	-	(16,686)	-	2,529,344	78,274
Net changes in fund balances	1,614,953	(1,823,307)	1	(4,597,652)	(43,923)	23,532	(4,826,396)
Fund balances - beginning	9,206,620	7,338,432	53,544	(866,630)	-	3,011,412	18,743,378
Fund balances - ending	\$ 10,821,573	\$ 5,515,125	\$ 53,545	\$ (5,464,282)	\$ (43,923)	\$ 3,034,944	\$ 13,916,982

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

Washington County, Florida

**Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

For the year ended September 30, 2020

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

Net change in fund balances - total governmental funds	\$ (4,826,396)
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position.	4,914,367
Depreciation expense on governmental capital assets included in the governmental activities in the statement of net position.	(2,616,440)
Repayment of long-term debt is reported as an expenditure in governmental funds but as a reduction of long-term liabilities in the statement of net assets.	537,640
The issuance of long-term debt (notes payable) provides current financial resources to governmental funds, while it has no effect on the statement of activities.	(125,000)
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. These expenses include:	
Other post-employment benefits	5,424
Pension expenses	(2,516,438)
Compensated absences	(5,309)
Change in net position of governmental activities	\$ (4,632,152)

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

Washington County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund
Budget and Actual

For the year ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 11,041,319	\$ 11,041,319	\$ 10,339,587	\$ (701,732)
Licenses and permits	1,321,335	1,406,160	1,433,528	27,368
Intergovernmental	1,959,881	1,959,881	1,932,941	(26,940)
Charges for services	896,066	922,449	1,313,532	391,083
Fines and forfeitures	8,000	8,000	2,301	(5,699)
Grants	77,090	77,090	181,331	104,241
Investment earnings	-	-	6,363	6,363
Other fees and miscellaneous revenues	431,009	540,382	709,287	168,905
Less 5% estimated revenues	(720,101)	(720,101)	-	720,101
Total revenues	15,014,599	15,235,180	15,918,870	683,690
Expenditures				
Current				
General government	6,426,910	6,819,719	6,769,794	49,925
Public safety	5,592,993	5,955,906	2,739,089	3,216,817
Physical environment	206,882	179,372	172,622	6,750
Economic environment	468,709	244,199	239,758	4,441
Human services	757,029	690,585	694,559	(3,974)
Culture and recreation	117,402	128,096	125,332	2,764
Court related	52,761	38,513	37,692	821
Capital outlay	5,250	54,315	356,850	(302,535)
Debt service	45,000	45,000	85,586	(40,586)
Reserve for contingency	7,700	7,700	-	7,700
Total expenditures	13,680,636	14,163,405	11,221,282	2,942,123
Excess of revenues over expenditures	1,333,963	1,071,775	4,697,588	3,625,813
Other financing sources (uses)				
Transfers in	236,781	236,781	41,408	(195,373)
Transfers out	(2,768,480)	(2,956,292)	(3,124,043)	(167,751)
Net other financing sources (uses)	(2,531,699)	(2,719,511)	(3,082,635)	(363,124)
Net change in fund balance	\$ (1,197,736)	\$ (1,647,736)	\$ 1,614,953	\$ 3,262,689

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

Washington County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance
Transportation Trust Fund
Budget and Actual

For the year ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 1,995,241	\$ 1,995,241	\$ 1,798,931	\$ (196,310)
Licenses and permits	10,000	10,000	12,852	2,852
Intergovernmental	856,081	856,081	875,052	18,971
Grants	-	-	21,654	21,654
Investment earnings	-	-	9,608	9,608
Other fees and miscellaneous revenues	6,000	298,747	299,372	625
Less 5% estimated revenues	(143,367)	(143,367)	-	143,367
Total revenues	2,723,955	3,016,702	3,017,469	767
Expenditures				
Current				
Transportation	4,062,206	3,553,584	2,487,962	1,065,622
Capital Outlay	310,000	2,828,502	2,935,653	(107,151)
Debt Service - principal	-	-	53,737	(53,737)
Debt Service - interest	-	-	11,675	(11,675)
Total expenditures	4,372,206	6,382,086	5,489,027	893,059
Excess (deficiency) of revenues over (under) expenditures	(1,648,251)	(3,365,384)	(2,471,558)	893,826
Other financing sources (uses)				
Transfers in	648,251	648,251	648,251	-
Net other financing sources	648,251	648,251	648,251	-
Net change in fund balance	\$ (1,000,000)	\$ (2,717,133)	\$ (1,823,307)	\$ 893,826

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

Washington County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance
Local Housing Assistance Trust (SHIP)
Budget and Actual

For the year ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Grants	\$ 350,000	\$ 475,609	\$ 475,609	\$ -
Total revenues	350,000	475,609	475,609	-
Expenditures				
Economic environment	1,250,000	1,250,000	475,608	774,392
Total expenditures	1,250,000	1,250,000	475,608	774,392
Excess <deficiency> of revenues over <under> expenditures	(900,000)	(774,391)	1	774,392
Net change in fund balance	\$ (900,000)	\$ (774,391)	\$ 1	\$ 774,392

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

Washington County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance
Hurricane Michael
Budget and Actual

For the year ended September 30, 2020

	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget
Revenues				
Grants	\$ -	\$ 420,600	\$ 973,037	\$ 552,437
Total revenues	-	420,600	973,037	552,437
Expenditures				
Current				
Transportation	-	373,050	284,135	88,915
Public Health and Safety	-	47,550	14,964	32,586
Total expenditures	-	420,600	299,099	121,501
Deficiency of revenues under expenditures	-	-	673,938	673,938
Other financing sources (uses)				
Transfers out	-	-	(16,686)	(16,686)
Net other financing sources	-	-	(16,686)	(16,686)
Net change in fund balance	\$ -	\$ -	\$ 657,252	\$ 657,252

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

Washington County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance
CARES Act
Budget and Actual

For the year ended September 30, 2020

	Original Budget	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget
Revenues				
Grants	\$ -	\$ 43,924	\$ 43,924	\$ -
Total revenues	-	43,924	43,924	-
Expenditures				
Current				
Transportation	-	-	-	-
Public Health and Safety	-	43,924	43,924	-
Capital outlay	-	-	-	-
Total expenditures	-	43,924	43,924	-
Excess of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfers out	-	-	-	-
Net other financing sources	-	-	-	-
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

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

Washington County, Florida
Statement of Fiduciary Net Position
Agency Funds

September 30, 2020

Assets		
Cash	\$	829,345
Due from other funds		183
Due from others		1,577
Total assets	\$	831,105
Liabilities		
Due to others	\$	828,961
Due to other funds		2,144
Total liabilities	\$	831,105

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

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Washington County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units in accordance with the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's basic financial statements.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this note. The remainder of the notes are organized to provide explanations, including required disclosures, of the County's financial activities for the fiscal year ended September 30, 2020.

Reporting Entity

Washington County, Florida (the "County") located in Northwest Florida, is a political subdivision of the State of Florida and provides services to approximately 23,000 residents in many areas including general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. The County was established December 29, 1825, by the Territorial Legislative Council. It is governed by a five-member elected Board of County Commissioners (the "Board"), which derives its authority by Florida Statutes and regulations. In addition to the members of the Board, there are five elected constitutional officers: Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

The elected offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. These constitutional officers operate on a budget system whereby County-appropriated funds are received from the Board with unexpended funds returned to the Board. The Tax Collector and Clerk of the Circuit Court also operate as a fee officer by retaining various fees collected by these offices. The Clerk of the Circuit Court also receives appropriated funds from the State of Florida to fund court-related activities. Separate accounting records and budgets are maintained by each individual office.

Blended Component Unit

Northwest Florida Community Hospital District

The Northwest Florida Community Hospital District is a dependent special district, which is a special purpose government entity as defined under Section 189.403 of the Florida Statutes. The enabling act for this entity is 1939 Laws of Florida, Chapter 19421. The Northwest Florida Community Hospital District is a blended presented component unit of Washington County, Florida and was formed to provide health care services to the residents of the Washington County, Florida area. Operations of the Northwest Florida Community Hospital District are supported by Washington County to the extent revenues are insufficient to cover costs.

Washington County, Florida Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Effective March 1, 2004, the County entered into an agreement to lease substantially all of the Northwest Florida Community Hospital District's real and personal property to a private firm, Northwest Florida Healthcare, Inc. Effective May 1, 2009, the County took over the EMS Division entirely with the Washington County Board of County Commissioners being responsible for oversight and the activity for the entire fiscal year and is included as a special revenue fund. There were no operations remaining in the special taxing district subsequent to this change.

Discretely Presented Component Unit

The government-wide financial statements include the financial data of the County's component unit, Sunny Hills Units 12-15 Dependent District. It is included because if excluded, the County's financial statements would be misleading. The component unit is discretely presented in the government-wide financial statements to emphasize their legal separation from the County.

Sunny Hills Units 12-15 Dependent District

The Sunny Hills Units 12-15 Dependent District was created on August 14, 2006 through Ordinance No. 2006-12 enacted by the County, pursuant to Chapter 189, Florida Statutes. The Sunny Hills Units 12-15 Dependent District is a discretely presented component unit that was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District. The District is required to have their budget approved by the County on an annual basis. The District is governed by a separate three-member Board of Supervisors. Initially the County appointed the Board. Financial information for the District is presented in this annual financial report as a Component Unit. Complete financial statements for the Sunny Hills Units 12-15 Dependent District may be obtained at the District's finance office by writing to 12051 Corporate Blvd., Orlando, Florida, 32817.

The fiscal year end for all discretely presented component units is September 30.

Government-wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for Washington County, Florida, as a whole excluding fiduciary activities. For the most part, the effect of inter-fund activity has been removed from these statements. Individual funds are not displayed for the governmental activities, which normally are supported by taxes and intergovernmental revenues.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues section displays revenue collected that helps support all functions of government and contributes to the change in the net position for the fiscal year.

The fund financial statements follow and report additional and detailed information about operations for major funds individually and nonmajor funds in the aggregate for governmental funds. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentations.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, considered to be sixty days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Major revenue sources susceptible to accrual include: sales and use taxes, various motor fuel taxes, property taxes, intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting assets and liabilities.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as needed.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County reports the following major governmental funds:

General Fund - The general fund is the County's primary operating fund. It accounts for all resources traditionally associated with governments except those required to be accounted for in another fund.

Transportation Trust Fund - This fund accounts for the Board's local option and county gas tax revenue, motor fuel taxes and other shared revenue earmarked for general and administrative operations costs of the Public Works Department.

Local Housing Assistance Trust – This fund accounts for the grant revenues and expenses related to the State of Florida's State Housing Initiatives Partnership Program.

Hurricane Michael – This fund accounts for the expenses related reimbursements due to the destruction caused by Hurricane Michael.

Cares Act – This fund accounts for revenues and expenses related to the economic stimulus bill.

The County reports one type of fiduciary fund, agency funds which are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals.

Additionally, the County reports the following fund types:

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes other than capital projects.

The debt service fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Budgets and Budgetary Accounting

General governmental revenue and expenditures accounted for in budgetary funds are controlled by a budgetary accounting system in accordance with various legal requirements which govern the County's operations. Budgets are monitored at varying levels of classification detail; however, expenditures cannot legally exceed total appropriations at the individual fund level. All budget changes that affect the total of a fund's budget must be approved by the Board.

The budgetary information presented for the general fund and any major special revenue funds is prepared on the modified accrual basis. Encumbrances are not recorded. Unexpended items at year-end must be reappropriated in the subsequent year.

Washington County, Florida Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting (Continued)

CARES/Hurricane Michael Funds

Property/Appraiser – The actual results of operations in the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual – for CARES and Hurricane Michael Funds are presented on a budgetary basis for budgetary accounting purposes. The CARES and Hurricane Michael Funds budgeted revenue and expenditures are based on anticipated receipts. Adjustments to convert the results of operation of these funds at the end of the year from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

	CARES Expenditures	Hurricane Michael Expenditures
GAAP basis	\$ 3,306,353	\$ 5,554,003
Non-budgeted revenues and expenditures:		
Expenditures recognized after adjustments		
for unearned revenue and revenue receivable	(3,262,429)	(5,254,904)
Budgetary basis	\$ 43,924	\$ 299,099

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Short-term investments also include amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund investment pools created by Sections 218.405 and 218.417, Florida Statutes.

Receivables

Receivables are shown at their net realizable value. See Note 6 for allowance for doubtful accounts.

Interfund Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.”

Inventories

Inventory consists of fuel, parts, and supplies. Inventory is valued at lower of cost or net realizable value. The County accounts for inventory in governmental funds using the consumption method.

Prepaid Expenses

General fund expenditures for insurance and similar services extending over more than one accounting period are accounted for as expenditures in the period consumed rather than when purchased.

Washington County, Florida Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, right of ways, stormwater system, sidewalks, and similar items), are reported in the governmental column in the government-wide financial statements. Property and equipment with initial, individual costs that exceed \$5,000 and an estimated useful life in excess of one year are recorded as capital assets. Buildings, roads, bridges, and sidewalks are capitalized when their initial costs exceed \$25,000 and possess estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are expensed as incurred.

The County's capital asset records lack significant detail to determine the accuracy of the balances and related depreciation and gain on sale of capital assets. The County's infrastructure has not yet been reported but will be reported in a future year. Land and construction in progress are not depreciated. Other capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Machinery and equipment	3-20
Infrastructure	15-30

Unearned Revenues

The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available, and in accordance with the modified accrual basis of accounting, are reported as unearned revenues. Unearned revenues generally consist of unspent grant funds.

Compensated Absences

The County maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. Employees may be paid for unused vacation hours accrued up to a maximum amount. Payment of unused sick leave, upon termination, is also provided for up to varying amounts.

The long-term portion of compensated absences are accrued and reported in the government-wide financial statements. No expenditure is reported in the government fund level statements for these amounts until payment is made. Compensated absences liability is based on current rates of pay. This is accounted for pursuant to GASB Statement No. 16, *Accounting for Compensated Absences*.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Debt

In the government-wide financial statements, outstanding debt is reported as liabilities.

The governmental fund financial statements recognize the proceeds of debt as other financial sources of the current period. Issuance costs are reported as expenditures.

Governmental Fund Balances

The County utilizes GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54) which clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See Note 14.

Encumbrances

Encumbrances represent commitments in the form of purchase orders which are chargeable to an appropriation and for which a part of the appropriation is reserved. Encumbrances do not represent expenditures or liabilities. The County does not record encumbrances outstanding at year end.

Pensions

The County participates in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the GASB. Under these requirements, the Plan is considered a component unit of the State of Florida and is included in the State's Comprehensive Annual Financial Report.

Other Postemployment Benefits ("OPEB")

In addition to the pension benefit noted above, the County offers certain OPEB. For purposes of measuring total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the economic resources measurement focus and full accrual basis of accounting are utilized. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Management Estimates and Assumptions

The preparation of financial statements in conformity with general accepted accounting principles requires management to make use of estimates and assumptions that affect certain the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Net Position

Net position on the government-wide financial statements is required to be classified for accounting and reporting purposes into the following net position categories:

Net investment in capital assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Any significant unspent proceeds at year-end related to capital assets are reported as restricted funds.

Restricted – Constraints imposed on net position by external creditors, grantors, contributors, laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted – Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of the Board.

Subsequent Events

The County has evaluated subsequent events through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued, June 29, 2021, and determined there were no events that occurred that required disclosure.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County had deferred outflows at year end related to various actuarial assumption changes and valuations related to the County's portion of the Florida Retirement System Pension Plan and Retiree Health Insurance Subsidy Program annual valuations and retirement contribution payments made by the County after the valuation date of the Florida Retirement System's latest valuation but before the end of the County's fiscal year. In addition, the County had deferred outflows at year-end related to their other postemployment benefit plan (OPEB).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The only such item at year end consists of various actuarial assumption changes and valuations related to the County's portion of the Florida Retirement System Pension Plan and Retiree Health Insurance Subsidy Program annual valuations. These amounts are recognized as inflows of resources in the period that they become available.

Impact of Recently Issued Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83 (GASB 83), *Certain Asset Retirement Obligations*. GASB 83 establishes standards of accounting and financial reporting requirements for legally enforceable liabilities associated with the retirement of certain tangible capital assets. State and local governments that have legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the regulation of GASB 83. The requirements of GASB 83 are effective for reporting periods beginning after June 15, 2019. GASB 83 had no impact on the County's financial statements.

In March 2018, the GASB issued Statement No. 88 (GASB 88), *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB 88 requires that additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, GASB 88 also requires that existing and additional information be provided for direct borrowings and direct placement of debt separately from other debt.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Recently Issued But Not Yet Effective

In May 2020, the GASB issued Statement No. 95 (GASB 95), *Postponement of the Effective Date of Certain Authoritative Guidance*. GASB 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. GASB 95 delayed the implementation of GASB 84, 87, 89, 90, 91, and 92.

In January 2017, the GASB issued Statement No. 84 (GASB 84), *Fiduciary Activities*. GASB 84 establishes specific criteria for identifying fiduciary activities and the requirements for financial statement reporting. The focus of the criteria is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. GASB 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. In addition, recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred which compels the government to disburse fiduciary resources should also be reported. GASB 84 will be effective for the fiscal years beginning after December 15, 2019.

In June 2017, the GASB issued Statement No. 87 (GASB 87), *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of GASB 87 are effective for reporting periods beginning after June 15, 2021.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Recently Issued But Not Yet Effective

In June 2018, the GASB issued Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of GASB 89 are effective for reporting periods beginning after December 15, 2020.

In August 2018, the GASB issued Statement No. 90 (GASB 90), *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of GASB 90 are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of GASB 90 are effective for reporting periods beginning after December 15, 2019. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The primary objectives of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of GASB 91 are effective for reporting periods beginning after December 15, 2021.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Recently Issued But Not Yet Effective

In January 2020, the GASB issued Statement No. 92 (GASB 92), *Omnibus 2020*. The objectives of GASB 92 are to enhance the comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of GASB 92 are effective for reporting periods beginning after June 15, 2021.

In March 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The purpose of GASB 93 is to address accounting and financial reporting implications that result from the replacement of interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). GASB 93 achieves this objective by (1) providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, (2) clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, (3) clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable, (4) removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, (5) identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of the interest rate swap, and (6) clarifying the definition of reference rate, as it is used in Statement 53, as amended. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021.

In March 2020, the GASB issued Statement No. 94 (GASB 94), *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of GASB 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in GASB 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in GASB 94 as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in GASB 94, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB 94 is effective for fiscal years beginning after June 15, 2022.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Recently Issued But Not Yet Effective

In May 2020, the GASB issued Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB 96 is effective for fiscal years beginning after June 15, 2022.

In June 2020, the GASB issued statement No. 97 (GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of GASB 97 are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements for GASB 97 are effective for reporting periods beginning after June 15, 2021.

Note 2: PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Property Appraiser and Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The 2020 millage rate assessed by the County was 8.7235 mills.

Washington County, Florida Notes to Financial Statements

Note 2: PROPERTY TAXES (Continued)

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Property Appraiser and Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The 2020 millage rate assessed by the County was 8.7235 mills.

The tax levy of the County is established by the Board prior to October 1, of each year and the Property Appraiser incorporates the County millage into the total tax levy, which includes the various municipalities, the county school board, and other taxing authorities.

All property is assessed according to its fair market value January 1, of each year. Each assessment roll is submitted to the Executive Director of the Florida Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

All taxes become payable on November 1, of each year, or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. Taxes paid in March are without discount.

On or prior to June 1, following the tax year, tax certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of twenty-two months. Unsold tax certificates are held by the County.

Note 3: DEPOSITS AND INVESTMENTS

At year end, the carrying amount of the County's deposits was \$14,717,639 and the bank balance was \$16,571,433. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the County to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the County to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

Note 3: DEPOSITS AND INVESTMENTS (Continued)

The County invested funds in the Florida State Board of Administration Local Governments Surplus Funds Investment Pool. At September 30, 2020, the net realizable value and the carrying value of these funds was \$12,140. The funds are carried as a cash equivalent on the balance sheet at September 30, 2020 (See Note 1 for definition of cash equivalents) and are included in carrying value and bank balance in the first paragraph of this note. Additional information and investment policies regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration at www.sbafla.com/prime.

The State of Florida's Local Government Investment Pool (Florida PRIME) is administered by the Florida State Board of Administration (SBA), which 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 State Pool. These rules provide guidance and establish the general operating procedures for the administration of the pool. The SBA provides regulatory oversight for the Florida PRIME Fund. As a pool participant, the County owns a share of the respective pool, not the underlying securities.

The Florida PRIME is an external investment pool that has adopted operating procedures consistent with the requirements of GASB Statement No. 79 to measure its investments at amortized cost. Therefore, the County's investment in PRIME is at amortized cost.

Credit Risk

The credit risk of certain investments, such as investment pools managed by other governments, cannot be categorized as to credit risk because the County investments are not evidenced by specific, identifiable investment securities. As of September 30, 2020, the County's investment in the Florida PRIME is rated by Standard and Poors and the current rating is AAAM.

Interest Rate Risk

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

Custodial Credit Risk

At September 30, 2020, the County did not hold any deposits or investments that were considered to have a custodial credit risk.

Washington County, Florida
Notes to Financial Statements

Note 3: DEPOSITS AND INVESTMENTS (Continued)

Concentration of Credit Risk

At September 30, 2020, the County did not hold any investments that were considered to have a concentration of credit risk.

Foreign Currency Risk

At September 30, 2020, the County did not hold any investments that were considered to have a foreign currency risk.

Note 4: INTERFUND BALANCES

Interfund balances are generally used to meet cash demands necessary to pay operating expenses. Amounts are generally repaid during the next fiscal year. Interfund balances at September 30, 2020 consisted of the following:

Due to/from Other Funds:

Receivable Fund	Payable Fund	
General fund	Transportation Trust	\$ 8,079
	Hurricane Michael	2,287,558
	CARES	2,933,564
	Other Special Revenue	1,473,354
Transportation Trust	General Fund	311,499
	Hurricane Michael	1,755,885
CARES	General Fund	30,543
Nonmajor Funds		
Other Special Revenue Funds	General	58,765
Total		\$ 8,859,247

The balances resulted from the time lag between the dates that (a) interfund goods and services are provided or reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments between funds are made. Amounts are generally repaid during the next fiscal year.

Washington County, Florida
Notes to Financial Statements

Note 4: INTERFUND BALANCES (Continued)

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

Transfers to General Fund from:

Nonmajor Governmental funds	\$ 24,722	
Hurricane Michael	16,686	
Total		\$ 41,408

Transfers to Transportation Fund from:

General Fund	648,251	
Total		648,251

Transfers to Nonmajor Governmental Funds from:

General fund	2,475,792	
Nonmajor Governmental funds	27,503	
Total		2,503,295

Total interfund transfers	\$ 3,192,954
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Transfers are used to (1) use unrestricted nonmajor governmental revenues to finance general operating activities and landfill closure costs, (2) use constitutional gas tax and other nonmajor revenues to cover public works operating expenses, (3) use unrestricted general fund revenues to fund debt service payments, (4) use unrestricted general funds and nonmajor governmental revenues to fund debt service, fire operations, emergency management service, library and operating expenses for other governmental activities that are accounted for in other funds.

The Board has elected to pay health insurance and workers compensation insurance costs from the General fund for all departments and constitutional officers except a few selected areas. Therefore, the General fund has a disproportionately large cost for these employee benefits.

The County pays salaries and related employment expenses for the Hospital under an agreement that allows certain employees to be eligible for County benefits. Such costs are reimbursed by the Hospital and there is no net effect recorded by the County.

Washington County, Florida Notes to Financial Statements

Note 5: DUE FROM OTHER GOVERNMENTS

Due from other governments consists of funds earned as of September 30, 2020, but not yet received by the County. The majority of these amounts were received in October and November 2020.

Note 6: ACCOUNTS RECEIVABLE

Accounts receivables of the EMS are accounted for in a special revenue fund. Accounts receivable in the EMS total \$550,802 and are shown net of allowance for doubtful accounts and contractual adjustments totaling \$394,491. This allowance represents an uncollected billing ratio based on past history of collections and aged accounts receivable listings.

Note 7: NOTE RECEIVABLE

The Board of County Commissioners loaned Northwest Florida Healthcare, Inc (the Hospital) \$2,903,878 in December 2003. The agreement provides a non-interest bearing note with no payments due the first 10 years, and equal installments of \$95,796 thereafter for 30 years. An imputed interest rate for the note receivable was considered indeterminable by management. The Board forgave \$30,000 on the note due to the hospital's purchase of equipment in 2005. The balance outstanding at September 30, 2020, was \$2,394,898. See also Note 15.

Washington County, Florida
Notes to Financial Statements

Note 8: CAPITAL ASSETS

The County's capital asset records lack significant detail to determine the accuracy of the balances and related depreciation and gain on sale of capital assets.

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

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,114,231	\$ 49,748	\$ -	\$ 4,163,979
Construction in progress	449,926	206,028	-	655,954
 Total capital assets, not being depreciated	 4,564,157	 255,776	 -	 4,819,933
 Capital assets, being depreciated:				
Buildings and improvements	25,896,513	1,056,579	-	26,953,092
Furniture and equipment	17,643,530	3,602,009	-	21,245,539
Roads	9,023,428	-	-	9,023,428
Infrastructure	1,988,560	-	-	1,988,560
 Total capital assets, being depreciated	 54,552,031	 4,658,588	 -	 59,210,619
 Less: Total accumulated depreciation	 26,374,323	 2,616,440	 -	 28,990,763
 Total capital assets, being depreciated, net	 28,177,708	 2,042,148	 -	 30,219,856
 Governmental activities capital assets, net	 \$ 32,741,865	 \$ 2,297,924	 \$ -	 \$ 35,039,789

Capital asset additions for governmental activities does not agree to the capital outlay expense per the Statement of Revenues, Expenditures, and Changes in Fund Balances due to construction in progress projects completed and placed into service.

The discretely presented component unit Sunny Hills 12-15 Dependent District's capital assets consist of nondepreciable land totaling \$1,770,313. There were no purchases or disposals and conveyances during the current year.

Washington County, Florida
Notes to Financial Statements

Note 8: CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental activities functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 939,464
Public safety	327,224
Physical environment	35,212
Transportation	1,069,880
Economic environment	48,903
Human services	141,669
Culture and recreation	25,564
Court related	28,524

Total depreciation expense-governmental activities	\$ 2,616,440
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Note 9: LONG-TERM LIABILITIES

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

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	DUE WITHIN ONE YEAR
Governmental activities:					
Notes, lease and other payables:					
Interlocal agreement payable from direct borrowings	\$ 157,000	\$ -	\$ 4,000	\$ 153,000	\$ 4,500
Capital leases	373,222	125,000	77,152	421,070	127,216
Notes payable from direct borrowings	4,812,029	-	456,543	4,355,486	472,598
Total bonds, notes, capital leases and other payables	5,342,251	125,000	537,695	4,929,556	604,314
Other liabilities:					
Landfill closure and post-closure costs	20,371	-	-	20,371	20,371
Other post employment benefit obligations	424,296	24,909	-	334,701	-
Pension liability	16,976,097	3,424,494	-	20,400,591	-
Compensated absences	713,255	566,823	561,518	718,560	135,062
Total other liabilities	18,134,019	3,844,222	561,518	21,474,223	155,433
Total governmental activities	\$23,476,270	\$3,969,222	\$ 1,099,213	\$26,403,779	\$ 759,747

Washington County, Florida
Notes to Financial Statements

Note 9: LONG-TERM LIABILITIES (Continued)

Additions and reductions of notes payable and capital leases for governmental activities does not agree to the debt service principal expense and issuance of long-term debt per the Statement of Revenues, Expenditures, and Changes in Fund Balances due to net effect of noncash transactions. Payments on the notes, leases, and other payables that pertain to the County's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated primarily by the General Fund.

The County's outstanding notes from direct borrowings related to governmental activities of \$5,185,408 contain provisions that in an event of default, outstanding amounts become immediately due if the County is unable to make payment.

Debt service requirements on long-term debt at September 30, 2020 are as follows:

FISCAL YEAR ENDING SEPTEMBER 30,	Governmental Activities			
	INTERLOCAL AGREEMENT PAYABLE		NOTES PAYABLE	
	FROM DIRECT BORROWINGS		FROM DIRECT BORROWINGS	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2021	\$ 4,500	7,076	\$ 472,598	\$ 141,896
2022	4,500	6,868	489,967	124,830
2023	5,000	6,660	494,500	107,082
2024	5,000	6,429	513,100	91,116
2025	5,500	6,198	529,600	74,469
2026-2030	30,500	27,010	1,708,721	132,022
2031-2035	36,000	19,402	147,000	3,589
2036-2040	42,500	10,546	-	-
2041-2043	19,500	1,365	-	-
Total	\$ 153,000	\$ 91,554	\$ 4,355,486	\$ 675,004

FISCAL YEAR ENDING SEPTEMBER 30,	Governmental Activities		
	CAPITAL LEASES PAYABLE		
	PRINCIPAL	INTEREST	TOTAL
2021	\$ 127,216	\$ 19,213	\$ 146,429
2022	106,779	10,397	117,176
2023	160,132	3,413	163,545
2024	26,943	1,048	27,991
Total	\$ 421,070	\$ 34,071	\$ 455,141

Washington County, Florida
Notes to Financial Statements

Note 9: LONG-TERM LIABILITIES (Continued)

Notes payable from direct borrowings

\$934,000 Non-Ad Valorem Tax Revenue Promissor Note, Series 2016, Charter Bank, payable in annual installments ranging from \$39,000 to \$92,000, interest at 2.75% fixed, due 2032. Collateralized by pledged revenues. \$ 808,000

\$5,500,000, Sales Tax promissory note Series 2015, SunTrust Bank, payable in monthly installments ranging from \$28,200 to \$43,000, interest at 3.28%, due 2028. Collateralized by pledged revenues. 3,475,421

\$174,088, Nationwide Capital, LLC, payable in annual installments of \$40,587, interest at 8.31%, due 2022. Collateralized by equipment with a net book value of \$72,537. 72,065

Total notes payable from direct borrowings	\$ 4,355,486
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Capital Leases Payable

\$387,115, Caterpillar Financial Services Corp., payable in monthly installments of \$5,451 and a final lease payment of \$124,651, interest at 4.2%, due 2022. Collateralized by equipment with a net book value of \$193,558. \$ 248,674

\$125,0007, BB&T Governmental Finance, payable in monthly installments of \$27,992, interest at 3.89%, due 2024. Collateralized by equipment with a net book value of \$100,000. 125,000

\$117,977, U.S. Bancorp Government Leasing and Finance, Inc., payable in monthly installments of \$2,086, interest at 2.548%, due 2022. Collateralized by equipment with a net book value of \$58,989. 47,396

Total capital leases payable from direct borrowings	\$ 421,070
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Interlocal Agreement Payable

\$200,000, City of Chipley, Library Building. Payable in annual installments beginning 2004 including interest at 4.625%. The County agreed to pay half of the City of Chipley, Florida, Capital Improvement Revenue Bond, Series 2003 payment and interest charges each year until 2042 to the City of Chipley, Florida. \$ 153,000

Total interlocal agreement payable from direct borrowings	\$ 153,000
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Total governmental activities (excluding landfill closure costs, other post employment benefit obligations, pension liability and compensated absences) \$ 4,929,556

Washington County, Florida
Notes to Financial Statements

Note 9: LONG-TERM LIABILITIES (Continued)

Long-term landfill closure and post-closure liability - The total estimated liability for post closure landfill costs totals \$20,371 as of September 30, 2020. This liability is estimated and the actual liability may be different due to inflation, deflation, changes in technology or changes in applicable laws and regulations. See also Note 16.

Note 10: OPERATING LEASES

The County leases space to several governmental and not-for-profit organizations for zero or nominal rates, with leases expiring through 2041.

The County leases space to governmental and not-for-profit organizations with leases expiring through 2054. Due to the Board's capital assets records lack of significant detail, the original cost and the related accumulated depreciation value of the buildings leased cannot be determined. The future minimum lease payments due to the County are as follows, for the years ended September 30:

2021	\$	6,163
2022		6,163
2023		6,163
2024		6,163
2025		6,163
Thereafter		184,885
Total	\$	215,700

Note 11: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and/or the public; or damage to property of others; and natural disasters for which the County carries commercial insurance. Insurance against losses are provided for the following types of risk:

- Workers' compensation and employer's liability
- General and automobile liability
- Real and personal property damage
- Public officials' liability
- Accidental death and dismemberment

Note 11: RISK MANAGEMENT (Continued)

The Sheriff participates in the Florida Sheriff Self-Insurance Fund, which is considered a public entity risk pool which purchases insurance policies on behalf of its members. The pool's members are not obligated for risk associated with such coverage. Coverage under these programs includes:

- General liability
- Automobiles
- Money and securities coverage

The Sheriff provides for workers' compensation coverage through the Board.

In addition, the Sheriff participates in the Florida Self-Insurance Fund for risks related to professional liability and public officials' coverage. The funding agreement provides that the liability fund will be self-sustaining through member premiums and that it will reinsure through commercial companies. Aggregate coverage provided by the liability fund is \$3,500,000 for professional liability and \$3,500,000 for public officials' coverage.

Note 12: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY

Defined Benefit Plans

Florida Retirement System Pension Plan

Substantially all full-time County employees are participants in the System, a defined benefit, cost sharing, multiple employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement. The plan covers full time employees of various governmental units within the State of Florida.

The System's funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due (see rates below). Level percentages of payroll employer contribution rates established by state law are determined using the entry-age actuarial funding method.

The System provides for those employees hired prior to July 1, 2011 for vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to employees who retire at or after age 65 with eight or more years of service. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation, and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Washington County, Florida
Notes to Financial Statements

Note 12: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)

Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates are applied to employee salaries as follows: regular employees-10.00%, DROP Program-16.98%, special risk employees-24.45%, senior management-27.29% and elected officials-49.18%. The rate applied to employee salaries for employee contributions was 3.00% for all classifications with the exception of DROP program participants who do not make contributions.

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.

The County has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, P O Box 9000, Tallahassee, FL 32315-9000.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions. At September 30, 2020, the County reported a liability of \$12,489,420 for its proportionate share of the collective net pension liability for the System Pension Plan ("Pension Plan"). The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The County's proportion of the collective net pension liability was based on the employers' shares of contributions to the Pension Plan relative to the total employer contributions of all participating employers. At June 30, 2020, the System's proportion of the Pension Plan was .0398%, which was a decrease of .0000120% from its proportion measured as of June 30, 2019.

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. The employer's contribution rates as of September 30, 2020, were as follows:

Class or Plan	FRS	HIS
Florida Retirement System:		
Regular	10.00%	1.66%
County Elected Officers	49.18%	1.66%
Senior Management Service Class	27.29%	1.66%
Special Risk	24.45%	1.66%
DROP	16.98%	1.66%

The employer's contributions for the year ended September 30, 2020, were \$1,323,520 to the FRS and \$147,947 to the HIS.

Note 12: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2020, the County reported a liability for its proportionate share of the net pension liabilities. The net pension liabilities were measured as of June 30, 2020, and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation dated July 1, 2020. The County's proportions of the net pension liabilities were based on the County's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

Health Insurance Subsidy Program

Chapter 112, Florida Statutes, established the HIS, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance. Contributions to the HIS plan are included in contributions to the Pension Plan noted above. The Pension Plan contributes 1.66% of each covered employee's salary to the HIS Plan. The remainder is contributed to the Pension Plan, with the exception for 0.04% that is contributed to administrative expenses.

Eligible retirees and beneficiaries receive a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

The actuarial assumptions used in the actuarial valuation as of July 1, 2020 for the HIS Plan were based on the results of an investigation of the economic and demographic experience for the Florida Retirement System ("FRS") based upon participant data as of June 30, 2018.

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2018.

The long-term expected rate of return for the HIS Plan investments was based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

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

Washington County, Florida
Notes to Financial Statements

Note 12: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)

		FRS		HIS
Net Pension Liability at June 30, 2020	\$	17,265,847	\$	3,134,744
Proportion at:				
Current measurement date		0.000398%		0.000257%
Prior measurement date		0.000410%		0.000255%
Pension expense (benefit)	\$	3,743,483	\$	288,653

Deferred Outflows/Inflows of Resources Related to Pensions

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

Description	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 660,784	\$ -	\$ 128,230	\$ (2,418)
Change of assumption	3,125,593	-	337,074	(182,273)
actual investment earnings				
actual investment earnings	1,028,002	-	2,503	-
Changes in proportion and difference between employer contributions and proportionate share of contributions	832,146	(685,803)	270,133	(129,634)
County contributions subsequent to the measurement date	353,149	-	37,399	-
Total	\$ 5,999,674	\$ (685,803)	\$ 775,339	\$ (314,325)

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, 2020. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<i>Fiscal Years Ending June 30,</i>		FRS		HIS
2021	\$	1,103,718	\$	108,386
2022		1,599,860		91,878
2023		1,316,746		43,388
2024		771,906		60,995
2025		168,492		72,743
Thereafter		-		46,225
Total	\$	4,960,722	\$	423,615

Washington County, Florida
Notes to Financial Statements

Note 12: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans, measured as of June 30, 2020, was determined by an actuarial valuation dated July 1, 2020, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.80%	N/A
Discount rate	6.80%	2.21%

The actuarial assumptions used in the actuarial valuation as of June 30, 2020 for the Pension Plan were based on the results of an investigation of the economic and demographic experience for the System based upon participant data as of June 30, 2018.

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018. Mortality rates were changed from the Generational RP-2000 with Projection Scale BB tables to the PUB-2010 base table projected generationally with Scale MP-2018.

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

Washington County, Florida Notes to Financial Statements

Note 12: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.2%	2.2%	1.2%
Fixed Income	19.0%	3.0%	2.9%	3.5%
Global Equity	54.2%	8.0%	6.7%	17.1%
Real Estate (Property)	10.3%	6.4%	5.8%	11.7%
Private Equity	11.1%	10.8%	8.1%	25.7%
Strategic Investments	4.4%	5.5%	5.3%	6.9%
Total	100.00%			

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.80%. 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.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.21% 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.

Washington County, Florida Notes to Financial Statements

Note 12: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)

	FRS Net Pension Liability		
	Current		
	1% Decrease (5.8%)	Discount Rate (6.8%)	1% Increase (7.8%)
Governmental Employer's proportionate share of the net pension liability	\$ 27,570,043	\$ 17,265,847	\$ 8,659,033

	HIS Net Pension Liability		
	Current		
	1% Decrease (2.21%)	Discount Rate (3.21%)	1% Increase (4.21%)
Governmental Employer's proportionate share of the net pension liability	\$ 3,623,624	\$ 3,134,744	\$ 2,734,597

Pension Plans' Fiduciary Net Position

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued System Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. The supporting actuarial information is included in the GASB Statement No. 68 *Report for the System* prepared as of June 30, 2020. The auditor's report dated January 15, 2021 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2020 along with supporting schedules is also available. The additional financial and actuarial information is available from the following website:

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

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, except for those who are in the DROP program. 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, 2020, totaled \$35,099.

Washington County, Florida

Notes to Financial Statements

Note 13: GRANTS

The County participates in several state and federal grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2020, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the County's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined, although the County expects such amounts, if any, to be immaterial except as described in the schedule of findings and questioned costs.

Note 14: FUND EQUITY

Fund balances are classified based upon a hierarchy of the County's ability to control spending of these fund balances and can be classified in the following categories:

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

Restricted – Amounts that can be spent only for purposes stipulated by external parties, constitutional provision or enabling legislation.

Committed – Amounts constrained for a specific purpose by the Board of County Commissioners.

Assigned – For the general fund, amounts constrained for the intent to be used for a specific purpose by the Board of County Commissioners. For all governmental funds other than the general fund, any positive remaining amounts not classified as nonspendable, restricted or committed.

Unassigned – All amounts not included in other spendable classifications.

Nonspendable Fund Balance:

Fund	Purpose	
General fund	Funding for:	
	Long-term note receivable	\$ 2,394,898
Transportation trust fund	Funding for:	
	Inventory	125,417
Total		\$ 2,520,315

Washington County, Florida
Notes to Financial Statements

Note 14: FUND EQUITY (Continued)

Restricted Fund Balance:

Funds	Purpose	
General fund	Funding for:	
	Landfill closure	\$ 58,447
	Education and crime prevention	79,144
Transportation trust fund	Funding for:	
	Transportation	5,389,708
Local Housing assistance trust	Funding for:	
	Local housing assistance	53,545
Other governmental funds	Funding for:	
	Court innovations	542,095
	Emergency communications	28,206
	Law enforcement	295,180
	Probation	178,118
	Emergency management	51,165
	Road improvements	38,045
	Economic development	77,091
	Modernization of public records	43,257
	Crime prevention	75,627
	Court-related technology	32,156
	Public Health and Safety	446,240
Total		\$ 7,388,024

Committed Fund Balance:

Funds	Purpose	
Other governmental funds	Funding for:	
	Fire operations	\$ 420,527
	Municipal service business unit	73,404
	Mosquito control	113,561
	Boater improvement	75,062
	Building department	172,627
	Police education	9,125
Total		\$ 864,306

Washington County, Florida
Notes to Financial Statements

Note 14: FUND EQUITY (Continued)

Assigned Fund Balance:

Funds	Purpose	
Other governmental funds	Funding for:	
	Emergency management	\$309,694
	Road Improvements	701
	Choose Life Tags	1,867
	Transportation	50,271
	Public Library	925
	Total	\$363,458

Note 15: COMMITMENTS AND CONTINGENCIES

The County 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 County's financial position.

The Board of County Commissioners entered into an agreement to lease substantially all of the Northwest Florida Community Hospital's real and personal property to a private firm (Northwest Florida Healthcare, Inc.) owned by the Hospital's CEO. The lease term is for a period of 40 years. This lease has been assigned to the Small Business Administration to serve as collateral for the Hospital's borrowing in 2007. Prior to the effective date of the lease, the Board loaned the Hospital \$2,903,878 to be used exclusively for capital improvements and physician recruitment. The repayment of this loan to the Board began in December 2015 with thirty equal annual installments of \$95,796 with the final annual installment in December 2044. This is a non-interest bearing note. Northwest Florida Healthcare, Inc. assumed the debt of \$945,400 associated with the USDA Hospital Revenue Bonds, however, the County is contingently liable for this debt. Northwest Florida Healthcare, Inc. also assumed other debt of \$976,084, however, the County is also contingently liable for this debt. This lease was extended through December 2053. The lease may also be renewed for one additional fifty year term upon approval by all parties.

Note 16: LANDFILL CLOSURE/LONG-TERM CARE ESCROW

The County maintains a landfill management escrow account, as required by law, to ensure the availability of financial resources for closing the landfill. The County records the landfill closure/long-term care escrow as a reserved portion of the general fund's fund balance. The escrow balance at September 30, 2020, was \$58,447 which is included in restricted cash for the General Fund. The financial resources are presented in the statement of net position as restricted cash and cash equivalents and a corresponding amount is included in net position restricted for other purposes.

Washington County, Florida Notes to Financial Statements

Note 16: LANDFILL CLOSURE/LONG-TERM CARE ESCROW (Continued)

State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for twenty years after closure. The estimated liability for landfill closure and postclosure care costs has a balance of \$20,371 as of September 30, 2020. The above estimate is based on current prices, actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Note 17: RECLASSIFICATION

Certain 2019 amounts have been reclassified to conform with 2020 classifications. Such reclassifications had no effect on reported net income.

Note 18: COOPERATIVE AGREEMENT

The Clerk has a Cooperative Agreement with the Florida Department of Revenue. This agreement encompasses all the Clerk's child support functions. It allows for indirect cost reimbursement. The Clerk uses an established indirect cost rate to invoice the Department of Revenue each month. These amounts are federal funds received under CFDA #93.563. The net amount received was \$92,667.

Note 19: OTHER POSTEMPLOYMENT BENEFITS

The County's post-employment benefits other than pension activity are reported in the statement of net position in the County's financial statements.

Plan Description – The Washington County Board of County Commissioners (the "Board") administers a single-employer defined benefit healthcare plan (the "Plan"). In accordance with Section 112.0801 of the Florida Statutes, because Washington County provides a medical plan to active employees of the County and their eligible dependents, the County is also required to provide retirees with the opportunity to participate in this Plan. The Plan provides healthcare benefits including medical coverage and life insurance coverage to both active and eligible retired employees. The Plan does not issue a publicly available financial report.

Eligibility for participation in the Plan is limited to full-time employees of the Board and the Constitutional officers. For regular, senior management service and elected officials, participants are eligible for normal retirement upon attaining the earlier of 1) six years of service and age 62 or 2) 30 years of service regardless of age. For Special Risk, participants are eligible for normal retirement upon attaining the earlier of 1) six years of special risk service and age 55 or 2) 25 total years of service consisting both of special risk service and up to four years of military service and age 52 or 3) 25 total years of special risk service, regardless of age or 4) 30 years of any credible service, regardless of age.

Washington County, Florida Notes to Financial Statements

Note 19: OTHER POSTEMPLOYMENT BENEFITS (Continued)

Benefits Provided – The County provides post-employment healthcare and life insurance to its retirees. Health benefits are provided through the County’s healthcare provider, Blue Cross Blue Shield of Florida (BCBSFL). The benefit levels are the same as those afforded to active employees. Health benefits include inpatient and outpatient medical services and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the County’s plan becomes secondary.

Membership – At September 30, 2020, there were no terminated employees entitled to benefits but not yet receiving them. The membership of the Plan consisted of:

Active employees	233
Retirees and beneficiaries currently receiving benefits	3
Total Membership	236
Participating employers	1

Contributions and Funding Policy - A qualifying trust or agency fund has not been authorized by the Board. The Board negotiates the premium rates with BCBSFL. The required contribution is based on pay-as-you-go financing requirements. Retirees and beneficiaries currently receiving benefits are required to contribute 100% of their current premium costs, which for fiscal year 2020 was \$18,158. The Board contributes the remainder to cover the costs of providing the benefits to the retirees.

OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB - At September 30, 2020, the County reported a liability of \$334,701 for the net OPEB liability. The net OPEB liability was measured as of September 30, 2020, and was determined by an actuarial valuation as of October 1, 2020. Standard actuarial update procedures were used to roll forward to the measurement date from the actuarial valuation date. For the year ended September 30, 2020, the County recognized OPEB expense of \$32,755. At September 30, 2020, the County reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,248	\$ 93,327
Changes of assumptions or other inputs	33,151	5,086
Total	\$ 34,399	\$ 98,413

Washington County, Florida
Notes to Financial Statements

Note 19: OTHER POSTEMPLOYMENT BENEFITS (Continued)

Amounts reported as Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows:

<i>For the years ended September 30,</i>	
2021	\$ (10,797)
2022	(10,797)
2023	(10,797)
2024	(10,797)
2025	(10,800)
Thereafter	(10,026)
Total	\$ (64,014)

The significant components of Other Postemployment Benefits follows:

	Total OPEB Liability	Deferred Inflows	Deferred Outflows	OPEB Expense
Balance at September 30, 2019	\$ 424,296	\$ -	\$ -	\$ -
Service Cost	32,409	-	-	32,409
Interest Cost	11,143	-	-	11,143
Changes in Benefit Terms	-	-	-	-
Differences between Expected and Actual Experience with Regard to Economic or Demographic Assumptions	(108,882)	93,327	1,248	(15,305)
Current Year Amortization of Experience Difference	-	-	-	-
Change in Assumptions About Future Economic or Demographic Factors or Other Inputs	13,911	5,086	33,151	4,508
Current Year Amortization of Change in Assumptions	-	-	-	-
Benefit Payments	(38,176)	-	-	-
Balance as of fiscal year ended September 30, 2020	\$ 334,701	\$ 98,413	\$ 34,399	\$ 32,755

Discount Rate - Given the County's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 2.41%. The high-quality municipal bond rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond General Obligation Bond Index consists of 20 general obligation bonds that mature in 20 years.

Washington County, Florida
Notes to Financial Statements

Note 19: OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Method and Assumptions – The total OPEB liability in the October 1, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation Rate	2.50%
Salary Increase Rate(s)	Varies by Service
Discount Rate	2.41%
Rate of Growth in Real Income/GDP per capita	1.50%
Extra Trend due to Technology and Other Factors	1.10%
Health Share of GDP Resistance Point	25%
Year of Limiting Cost Growth to GDP Growth	2075

All mortality rates were based on the PUB-2010 base tables projected with fully generational MP-2020 Mortality Improvement Scale. There have been no changes in the plan since the prior valuation date.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the County's proportionate share of the net OPEB liability using a discount rate that is 1 percent lower (1.41%) or 1 percent point higher (3.41%) than the current discount rate:

	1% Decrease (1.41%)	Current Discount Rate (2.41%)	1% increase (3.41%)
Net OPEB Liability	\$ 350,914	\$ 334,701	\$ 318,183

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following presents the County's proportionate share of the net OPEB liability if it were calculated using healthcare cost trend rates that are 1 percent lower (3.00%) or 1 percent point higher (5.00%) than the current healthcare cost trend rates:

	1% Decrease (3.00%)	Current Medical Trend (4.00%)	1% increase (5.00%)
Net OPEB Liability	\$ 296,396	\$ 334,701	\$ 381,467

Washington County, Florida Notes to Financial Statements

Note 20: UNCERTAINTIES

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.

Required Supplementary Information

Washington County, Florida
Schedule of Proportionate Share of Net Pension Liability - FRS
Last 8 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013
County's proportion of the net pension liability (asset)	0.039835893%	0.041003815%	0.039311830%	0.039421864%	0.037700000%	0.035800000%	0.034600000%	0.033900000%
County's proportionate share of the net pension liability (asset)	\$ 17,265,847	\$ 14,121,142	\$ 11,840,927	\$ 11,660,723	\$ 9,508,368	\$ 4,618,120	\$ 2,113,210	\$ 5,839,069
County's covered payroll	\$ 9,315,632	\$ 8,854,312	\$ 8,297,505	\$ 7,956,177	\$ 7,837,732	\$ 7,571,054	\$ 7,380,629	\$ 7,361,194
County's proportionate share of the net pension liability (asset) as a percentage of its own covered payroll	185.34%	159.48%	142.70%	146.56%	121.32%	61.00%	28.63%	79.32%
FRS Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%	N/A

Note: Data was unavailable prior to 2013

Notes to schedules:

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

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.

*See accompanying notes to required supplementary schedules and
Accompanying Independent Auditors' Report*

Washington County, Florida
Schedule of Contributions - FRS
Last 8 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 1,323,520	\$ 1,271,414	\$ 1,120,355	\$ 1,028,157	\$ 918,321	\$ 871,715	\$ 758,641	\$ 456,455
Contributions in relation to the contractually required contribution	(1,323,520)	(1,271,414)	(1,120,355)	(1,028,157)	(918,321)	(871,715)	(758,641)	(456,455)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 9,315,632	\$ 8,784,277	\$ 8,251,801	\$ 7,956,177	\$ 7,837,732	\$ 7,571,054	\$ 7,380,629	\$ 7,361,194
Contributions as a percentage of covered payroll	14.21%	14.47%	13.58%	12.92%	11.72%	11.51%	10.28%	6.20%

Notes to schedules:

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

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.

*See accompanying notes to required supplementary schedules and
Accompanying Independent Auditors' Report*

Washington County, Florida
Schedule of Proportionate Share of Net Pension Liability - HIS
Last 8 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013
County's proportion of the net pension liability (asset)	2.567392200%	0.025515740%	0.024206707%	0.024003295%	0.024000000%	0.023300000%	0.012800000%	0.023500000%
County's proportionate share of the net pension liability (asset)	\$ 3,134,744	\$ 2,854,955	\$ 2,562,065	\$ 2,566,543	\$ 2,792,437	\$ 2,375,636	\$ 2,212,590	\$ 2,046,241
County's covered payroll	\$ 9,254,293	\$ 8,854,312	\$ 8,297,505	\$ 7,956,177	\$ 7,837,732	\$ 7,571,054	\$ 7,380,629	\$ 7,361,194
County's proportionate share of the net pension liability (asset) as a percentage of its own covered payroll	33.87%	32.24%	30.88%	32.26%	35.63%	31.38%	29.98%	27.80%
HIS Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%	N/A

Note: Data was unavailable prior to 2013

Notes to schedules:

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

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.

*See accompanying notes to required supplementary schedules and
Accompanying Independent Auditors' Report*

Washington County, Florida
Schedule of Contributions - HIS
Last 8 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 147,947	\$ 141,686	\$ 131,274	\$ 125,880	\$ 122,810	\$ 89,045	\$ 81,063	\$ 76,988
Contributions in relation to the contractually required contribution	(147,947)	(141,686)	(131,274)	(125,880)	(122,810)	(89,045)	(81,063)	(76,988)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 9,254,293	\$ 8,784,277	\$ 8,251,801	\$ 7,956,177	\$ 7,837,732	\$ 7,571,054	\$ 7,380,629	\$ 7,361,194
Contributions as a percentage of covered payroll	1.60%	1.61%	1.59%	1.58%	1.57%	1.18%	1.10%	1.05%

Notes to schedules:

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

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.

*See accompanying notes to required supplementary schedules and
Accompanying Independent Auditors' Report*

Washington County, Florida

Schedule of Changes in the Sponsor's Total OPEB Liability and Related Ratios

Last three fiscal years*

Reporting Period	9/30/2020	9/30/2019	9/30/2018
Measurement Period	10/1/2019	10/1/2018	10/1/2018
Total OPEB Liability			
Service Cost	\$ 32,409	\$ 26,655	\$ 26,894
Interest	11,143	14,444	13,497
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(108,882)	-	1,998
Changes of Assumptions	13,911	28,303	(8,137)
Benefit Payments	(38,176)	(44,493)	(39,002)
Net Change in Total OPEB Liability	(89,595)	24,909	(4,750)
Total OPEB Liability - Beginning	424,296	399,387	404,137
Total OPEB Liability - Ending	\$ 334,701	\$ 424,296	\$ 399,387
Plan Fiduciary Net Position			
Contributions - employer	\$ 38,176	\$ 44,493	\$ 39,002
Benefit payments	(38,176)	(44,493)	(39,002)
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending (b)	-	-	-
Net OPEB liability - ending (a) - (b)	334,701	424,296	399,387
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 9,315,632	\$ 8,784,277	\$ 8,251,801
Net OPEB liability as a percentage of covered-employee payroll	3.59%	4.83%	4.84%
Contributions as a percentage of covered-employee payroll	0.40%	0.50%	0.47%

*This schedule is included to show information for 10 years. Additional years will be displayed as they become available.

*See accompanying notes to required supplementary schedules and
Accompanying Independent Auditors' Report*

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Washington County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2020

	Special Revenue Funds							
	Public Library Fund	Small Counties Grant Fund	Fines & Forfeiture Fund	Thirty Dollar Surcharge Fund	Kent Road	EMPG-S Grant	Agriculture Grant	
Assets								
Cash and cash equivalents	\$ 42,667	\$ 46,461	\$ -	\$ -	\$ -	\$ -	\$ -	
Restricted cash and cash equivalents	-	-	60,568	266,853	-	-	-	
Accounts receivable, net	-	45,247	14,092	4,831	-	7,908	2,255	
Due from agency funds	-	-	2,057	-	-	-	-	
Due from other funds	-	-	-	-	8,057	-	-	
Prepaid expenses	-	-	1,117	-	-	-	-	
Total assets	\$ 42,667	\$ 91,708	\$ 77,834	\$ 271,684	\$ 8,057	\$ 7,908	\$ 2,255	
Liabilities								
Accounts payable and accrued expenses	\$ 33,834	\$ 6,056	\$ 21,602	\$ 3,295	\$ 8,057	\$ 947	\$ -	
Due to other funds	7,908	35,381	35,645	2,880	-	6,961	2,255	
Due to other governmental units	-	-	14,516	-	-	-	-	
Unearned revenue	-	-	6,071	-	-	-	-	
Total liabilities	41,742	41,437	77,834	6,175	8,057	7,908	2,255	
Fund balances								
Restricted	-	-	-	265,509	-	-	-	
Committed	-	-	-	-	-	-	-	
Assigned	925	50,271	-	-	-	-	-	
Total fund balances	925	50,271	-	265,509	-	-	-	
Total liabilities and fund balances	\$ 42,667	\$ 91,708	\$ 77,834	\$ 271,684	\$ 8,057	\$ 7,908	\$ 2,255	

See Independent Auditors' Report

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Washington County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2020

	Special Revenue Funds						
	Emergency Medical Service Fund	Municipal Service Business Unit	Fire Operation Fund	Radio Communication Fund	Law Enforcement Trust Fund III	Special Projects - Impact	
Assets							
Cash and cash equivalents	\$ 112,370	\$ -	\$ 490,297	\$ -	\$ -	\$ -	
Restricted cash and cash equivalents	-	636,378	-	26,379	45,904	38,045	
Accounts receivable, net	156,311	3,419	-	1,827	-	-	
Due from agency funds	-	-	-	-	-	-	
Due from other funds	7,862	-	-	-	-	-	
Prepaid expenses	-	-	-	-	-	-	
Total assets	\$ 276,543	\$ 639,797	\$ 490,297	\$ 28,206	\$ 45,904	\$ 38,045	
Liabilities							
Accounts payable and accrued expenses	\$ 20,823	\$ 566,393	\$ 69,770	\$ -	\$ -	\$ -	
Due to other funds	-	-	-	-	-	-	
Due to other governmental units	39,927	-	-	-	-	-	
Unearned revenue	-	-	-	-	-	-	
Total liabilities	60,750	566,393	69,770	-	-	-	
Fund balances							
Restricted	-	-	-	28,206	45,904	38,045	
Committed	-	73,404	420,527	-	-	-	
Assigned	215,793	-	-	-	-	-	
Total fund balances	215,793	73,404	420,527	28,206	45,904	38,045	
Total liabilities and fund balances	\$ 276,543	\$ 639,797	\$ 490,297	\$ 28,206	\$ 45,904	\$ 38,045	

See Independent Auditors' Report

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Washington County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2020

	Special Revenue Funds							
	Law Enforcement Trust Fund I	Cope Road	Arthropod Control Fund	Choose Life Tag Fund	SAFER Grant	E911	Police Education Fund	
Assets								
Cash and cash equivalents	\$ 421	\$ -	\$ 117,546	\$ 1,867	\$ 12,159	\$ -	\$ -	
Restricted cash and cash equivalents	-	-	-	-	-	69,764	8,819	
Accounts receivable, net	-	637,074	17,248	-	-	52,859	306	
Due from agency funds	-	-	-	-	-	-	-	
Due from other funds	-	-	-	-	-	175	-	
Prepaid expenses	-	-	-	-	-	-	-	
Total assets	\$ 421	\$ 637,074	\$ 134,794	\$ 1,867	\$ 12,159	\$ 122,798	\$ 9,125	
Liabilities								
Accounts payable and accrued expenses	\$ -	\$ 125,758	\$ 2,310	\$ -	\$ -	\$ 4,930	\$ -	
Due to other funds	-	511,316	2	-	12,159	7,830	-	
Due to other governmental units	-	-	-	-	-	-	-	
Unearned revenue	-	-	18,920	-	-	-	-	
Total liabilities	-	637,074	21,232	-	12,159	12,760	-	
Fund balances								
Restricted	421	-	-	-	-	-	-	
Committed	-	-	113,562	-	-	-	9,125	
Assigned	-	-	-	1,867	-	110,038	-	
Total fund balances	421	-	113,562	1,867	-	110,038	9,125	
Total liabilities and fund balances	\$ 421	\$ 637,074	\$ 134,794	\$ 1,867	\$ 12,159	\$ 122,798	\$ 9,125	

See Independent Auditors' Report

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Washington County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2020

Special Revenue Funds									
	Brickyard Road Resurface	Tourist Development Tax	Emergency Management Enhancement	EMPG Grant	Criminal Education Fund	Cost of Incarceration	Crime Prevention		
Assets									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		-
Restricted cash and cash equivalents	-	74,998	45,344	-	11,334	23,811	39,314		
Accounts receivable, net	25,707	9,491	-	15,200	401	199	568		
Due from agency funds	-	-	-	-	-	-	-		-
Due from other funds	-	-	3,326	-	-	-	-		-
Prepaid expenses	-	-	-	-	-	-	-		-
Total assets	\$ 25,707	\$ 84,489	\$ 48,670	\$ 15,200	\$ 11,735	\$ 24,010	\$ 39,882		
Liabilities									
Accounts payable and accrued expenses	\$ -	\$ 7,398	\$ 4,058	\$ -	\$ -	\$ -	\$ -		-
Due to other funds	25,707	-	1,016	15,200	-	-	-		-
Due to other governmental units	-	-	-	-	-	-	-		-
Unearned revenue	-	-	-	-	-	-	-		-
Total liabilities	25,707	7,398	5,074	15,200	-	-	-		-
Fund balances									
Restricted	-	77,091	43,596	-	11,735	24,010	39,882		
Committed	-	-	-	-	-	-	-		-
Assigned	-	-	-	-	-	-	-		-
Total fund balances	-	77,091	43,596	-	11,735	24,010	39,882		
Total liabilities and fund balances	\$ 25,707	\$ 84,489	\$ 48,670	\$ 15,200	\$ 11,735	\$ 24,010	\$ 39,882		

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Washington County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2020

Special Revenue Funds											
	Article V Technology	Sixty-Five Dollar Surcharge	EMPA Grant	Probation	Kirkland Road	Fire Impact Fees	Boat Ramp Fund	Wilderness Road			
Assets											
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	73,835	\$ -			
Restricted cash and cash equivalents	51,735	276,456	-	173,440	-	701	-	1			
Accounts receivable, net	2,892	1,452	19,089	9,419	-	-	1,227	-			
Due from agency funds	-	-	-	-	-	-	-	-			
Due from other funds	-	-	3,871	-	98	-	-	-			
Prepaid expenses	-	-	-	-	-	-	-	-			
Total assets	\$ 54,627	\$ 277,908	\$ 22,960	\$ 182,859	\$ 98	\$ 701	\$ 75,062	\$ 1			
Liabilities											
Accounts payable and accrued expenses	\$ 318	\$ 1,322	\$ 2,435	\$ 4,525	\$ -	\$ -	-	\$ -			
Due to other funds	22,153	-	20,526	216	-	-	-	-			
Due to other governmental units	-	-	-	-	-	-	-	-			
Unearned revenue	-	-	-	-	-	-	-	-			
Total liabilities	22,471	1,322	22,961	4,741	-	-	-	-			
Fund balances											
Restricted	32,156	276,586	-	178,118	98	-	-	1			
Committed	-	-	(1)	-	-	-	75,062	-			
Assigned	-	-	-	-	-	701	-	-			
Total fund balances	32,156	276,586	(1)	178,118	98	701	75,062	1			
Total liabilities and fund balances	\$ 54,627	\$ 277,908	\$ 22,960	\$ 182,859	\$ 98	\$ 701	\$ 75,062	\$ 1			

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Washington County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2020

Special Revenue Funds									
	Building Department	Inmate Welfare Fund	EMS Impact Fees	Orange Hill & South Blvd	Hurricane Sally	Church Street & Court Avenue	Public Records Modernization Trust Fund		
Assets									
Cash and cash equivalents	\$ 176,778	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		-
Restricted cash and cash equivalents	-	174,792	7,569	-	-	-	-		59,972
Accounts receivable, net	4,385	-	-	69,168	304,774	180,861	-		-
Due from agency funds	-	-	-	-	-	-	-		-
Due from other funds	7,951	-	-	-	-	-	-		13,235
Prepaid expenses	-	-	-	-	-	-	-		-
Total assets	\$ 189,114	\$ 174,792	\$ 7,569	\$ 69,168	\$ 304,774	\$ 180,861	\$ -		73,207
Liabilities									
Accounts payable and accrued expenses	\$ 14,991	\$ 10,846	\$ -	\$ -	\$ 274,262	\$ 38,360	\$ -		29,543
Due to other funds	1,496	-	-	69,168	30,512	142,501	-		407
Due to other governmental units	-	-	-	-	-	-	-		-
Unearned revenue	-	-	-	-	-	-	-		-
Total liabilities	16,487	10,846	-	69,168	304,774	180,861	-		29,950
Fund balances									
Restricted	-	163,946	7,569	-	-	-	-		43,257
Committed	172,627	-	-	-	-	-	-		-
Assigned	-	-	-	-	-	-	-		-
Total fund balances	172,627	163,946	7,569	-	-	-	-		43,257
Total liabilities and fund balances	\$ 189,114	\$ 174,792	\$ 7,569	\$ 69,168	\$ 304,774	\$ 180,861	\$ -		73,207

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Washington County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2020

	Special Revenue Funds							Total Nonmajor Governmental Funds
	Law Enforcement Trust Fund II	Highway 79 Corridor	Old Bonifay Road	COVID 19	FFCRA COVID 19	Hurricane Irma		
Assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	1,074,401
Restricted cash and cash equivalents	84,810	100,000	-	450,000	-	16,636		2,743,623
Accounts receivable, net	-	-	194,927	312,574	-	-		2,095,711
Due from agency funds	-	-	-	-	-	-		2,057
Due from other funds	-	-	-	14,190	-	-		58,765
Prepaid expenses	-	-	-	-	-	-		1,117
Total assets	\$ 84,810	\$ 100,000	\$ 194,927	\$ 776,764	\$ -	\$ 16,636	\$	5,975,674
Liabilities								
Accounts payable and accrued expenses	\$ -	\$ -	\$ 102,772	\$ 15,760	\$ 941	\$ -	\$	1,371,306
Due to other funds	-	100,000	92,155	314,764	15,196	-		1,473,354
Due to other governmental units	-	-	-	-	-	-		54,443
Unearned revenue	-	-	-	-	-	16,636		41,627
Total liabilities	-	100,000	194,927	330,524	16,137	16,636		2,940,730
Fund balances								
Restricted	84,810	-	-	446,240	-	-		1,807,180
Committed	-	-	-	-	-	-		864,306
Assigned	-	-	-	-	(16,137)	-		363,458
Total fund balances	84,810	-	-	446,240	(16,137)	-		3,034,944
Total liabilities and fund balances	\$ 84,810	\$ 100,000	\$ 194,927	\$ 776,764	\$ -	\$ 16,636	\$	5,975,674

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Washington County, Florida

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended September 30, 2020

	Special Revenue Funds							
	Public Library Fund	Small Counties Grant Fund	Buckhorn Road	Fines & Forfeiture Fund	Thirty Dollar Surcharge Fund	Kent Road	EMPG-S Grant	Agriculture Grant
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	301,876	-	-	-	-
Charges for services	-	-	-	394,041	48,207	-	-	-
Grants	252,406	90,909	23,597	92,667	-	-	7,908	160,750
Investment earnings	-	-	-	58	-	-	-	-
Other fees and miscellaneous revenues	47,621	24,739	-	1,113	45	-	-	-
Total revenue	300,027	115,648	23,597	789,755	48,252	-	7,908	160,750
Expenditures								
Current								
General government	-	-	-	-	-	-	-	-
Public health and safety	-	-	-	-	-	-	7,908	-
Physical environment	-	126,944	-	-	-	-	-	-
Transportation	-	-	23,597	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	633,170	-	-	-	-	-	-	1,749
Court related	-	-	-	788,069	101,384	-	-	-
Capital outlay	3	-	-	-	-	-	-	159,001
Debt service								
Principal	4,000	-	-	-	-	-	-	-
Interest and other charges	7,261	-	-	-	-	-	-	-
Total expenditures	644,434	126,944	23,597	788,069	101,384	-	7,908	160,750
Excess (deficiency) of revenues over (under) expenditures	(344,407)	(11,296)	-	1,686	(53,132)	-	-	-
Other financing sources (uses)								
Transfers in	342,815	47,961	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Installment loan proceeds	-	-	-	-	-	-	-	-
Transfer to State of Florida	-	-	-	(46,726)	-	-	-	-
Net other financing sources (uses)	342,815	47,961	-	(46,726)	-	-	-	-
Net change in fund balances	(1,592)	36,665	-	(45,040)	(53,132)	-	-	-
Fund balances - beginning	2,517	13,606	-	45,040	318,641	-	-	-
Fund balances - ending	\$ 925	\$ 50,271	\$ -	\$ -	\$ 265,509	\$ -	\$ -	\$ -

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Washington County, Florida

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds

For the year ended September 30, 2020

	Special Revenue Funds						
	Emergency Medical Service Fund	Municipal Service Business Unit	Fire Operation Fund	Radio Communication Fund	Bonnet Pond Road	Law Enforcement Trust Fund III	Special Projects - Impact
Revenues							
Taxes	\$ -	\$ 443,606	\$ -	\$ -	\$ -	\$ -	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	1,403,343	-	-	17,051	-	-	-
Grants	-	-	14,201	-	1,414,071	-	-
Investment earnings	-	-	-	-	-	-	-
Other fees and miscellaneous revenues	-	2,884	-	-	-	-	3,614
Total revenue	1,403,343	446,490	14,201	17,051	1,414,071	-	3,614
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Public health and safety	1,950,149	-	299,536	10,684	-	-	-
Physical environment	-	-	-	-	-	-	-
Transportation	-	-	-	-	1,414,071	-	-
Economic environment	-	235,982	-	-	-	-	-
Human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-
Capital outlay	6,042	781,657	283,320	-	-	-	-
Debt service							
Principal	23,360	-	-	-	-	-	-
Interest and other charges	1,673	-	-	-	-	-	-
Total expenditures	1,981,224	1,017,639	582,856	10,684	1,414,071	-	-
Excess (deficiency) of revenues over (under) expenditures	(577,881)	(571,149)	(568,655)	6,367	-	-	3,614
Other financing sources (uses)							
Transfers in	626,096	-	430,517	-	-	-	-
Transfers out	(14,903)	-	-	-	-	-	-
Installment loan proceeds	-	-	125,000	-	-	-	-
Transfer to State of Florida	-	-	-	-	-	-	-
Net other financing sources (uses)	611,193	-	555,517	-	-	-	-
Net change in fund balances	33,312	(571,149)	(13,138)	6,367	-	-	3,614
Fund balances - beginning	182,481	644,553	433,665	21,839	-	45,904	34,431
Fund balances - ending	\$ 215,793	\$ 73,404	\$ 420,527	\$ 28,206	\$ -	\$ 45,904	\$ 38,045

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Washington County, Florida

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds**

For the year ended September 30, 2020

	Special Revenue Funds						
	Law Enforcement Fund I	Cope Road	Arthropod Control Fund	Choose Life Tag Fund	SAFER Grant	E911	Police Education Fund
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	17,105	-	-	-	-
Charges for services	-	-	-	-	-	164,438	3,120
Grants	-	1,208,387	44,464	-	78,478	120,369	-
Investment earnings	-	-	-	-	-	12,000	-
Other fees and miscellaneous revenues	-	-	-	-	-	4,550	-
Total revenue	-	1,208,387	61,569	-	78,478	301,357	3,120
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Public health and safety	-	-	-	-	-	217,083	-
Physical environment	-	-	-	-	-	-	-
Transportation	-	1,208,387	-	-	78,478	-	-
Economic environment	-	-	-	-	-	-	-
Human services	-	-	49,630	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	74,280	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	-	1,208,387	49,630	-	78,478	291,363	-
Excess (deficiency) of revenues over (under) expenditures	-	-	11,939	-	-	9,994	3,120
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(6,000)	-
Installment loan proceeds	-	-	-	-	-	-	-
Transfer to State of Florida	-	-	-	-	-	-	-
Net other financing sources (uses)	-	-	-	-	-	(6,000)	-
Net change in fund balances	-	-	11,939	-	-	3,994	3,120
Fund balances - beginning	421	-	101,623	1,867	-	106,044	6,005
Fund balances - ending	\$ 421	\$ -	\$ 113,562	\$ 1,867	\$ -	\$ 110,038	\$ 9,125

See Independent Auditors' Report

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Washington County, Florida

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

For the year ended September 30, 2020

	Special Revenue Funds						
	Brickyard Road Resurface	Tourist Development Tax	Emergency Management Enhancement	EMPG Grant	Criminal Education Fund	Cost of Incarceration	Crime Prevention
Revenues							
Taxes	\$ -	\$ 100,238	\$ -	\$ -	\$ -	\$ -	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	3,851	2,737	10,040
Grants	84,341	-	-	44,531	-	-	-
Investment earnings	-	-	-	-	-	-	-
Other fees and miscellaneous revenues	-	-	-	-	-	-	-
Total revenue	84,341	100,238	-	44,531	3,851	2,737	10,040
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Public health and safety	-	-	55,378	-	-	-	-
Physical environment	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Economic environment	-	118,621	-	44,531	-	-	-
Human services	-	-	-	-	-	-	-
Culture and recreation	84,341	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	84,341	118,621	55,378	44,531	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	(18,383)	(55,378)	-	3,851	2,737	10,040
Other financing sources (uses)							
Transfers in	-	-	61,675	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Installment loan proceeds	-	-	-	-	-	-	-
Transfer to State of Florida	-	-	-	-	-	-	-
Net other financing sources (uses)	-	-	61,675	-	-	-	-
Net change in fund balances	-	(18,383)	6,297	-	3,851	2,737	10,040
Fund balances - beginning	-	95,474	37,299	-	7,884	21,273	29,842
Fund balances - ending	\$ -	\$ 77,091	\$ 43,596	\$ -	\$ 11,735	\$ 24,010	\$ 39,882

See Independent Auditors' Report

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Washington County, Florida

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended September 30, 2020

for the year ended September 30, 2020

	Special Revenue Funds								
	Article V Technology	Sixty-Five Dollar Surcharge	EMPA Grant	Probation	Kirkland Road	Fire Impact Fees	Boat Ramp Fund	Wilderness Road	
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Licenses and permits	-	-	-	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	-	-	-	
Charges for services	38,962	23,696	-	120,655	-	-	-	-	
Grants	-	-	107,980	-	-	-	-	-	
Investment earnings	-	-	-	-	-	-	-	-	
Other fees and miscellaneous revenues	-	-	-	-	-	-	7,300	-	
Total revenue	38,962	23,696	107,980	120,655	-	-	7,300	-	
Expenditures									
Current									
General government	-	-	107,981	-	-	-	-	-	
Public health and safety	-	-	-	-	-	-	-	-	
Physical environment	-	-	-	-	-	-	-	-	
Transportation	-	-	-	-	-	-	-	-	
Economic environment	-	-	-	-	-	-	-	-	
Human services	-	-	-	-	-	-	-	-	
Culture and recreation	-	-	-	-	-	-	66	-	
Court related	19,602	6,219	-	116,142	-	-	-	-	
Capital outlay	-	-	-	-	-	-	-	-	
Debt service									
Principal	-	-	-	-	-	-	-	-	
Interest and other charges	-	-	-	-	-	-	-	-	
Total expenditures	19,602	6,219	107,981	116,142	-	-	66	-	
Excess (deficiency) of revenues over (under) expenditures	19,360	17,477	(1)	4,513	-	-	7,234	-	
Other financing sources (uses)									
Transfers in	-	-	-	-	-	-	-	-	
Transfers out	(22,153)	-	-	-	-	-	-	-	
Installment loan proceeds	-	-	-	-	-	-	-	-	
Transfer to State of Florida	-	-	-	-	-	-	-	-	
Net other financing sources (uses)	(22,153)	-	-	-	-	-	-	-	
Net change in fund balances	(2,793)	17,477	(1)	4,513	-	-	7,234	-	
Fund balances - beginning	34,949	259,109	-	173,605	98	701	67,828	1	
Fund balances - ending	\$ 32,156	\$ 276,586	\$ (1)	\$ 178,118	\$ 98	\$ 701	\$ 75,062	\$	

See Independent Auditors' Report

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Washington County, Florida

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended September 30, 2020

	Special Revenue Funds						
	Building Department	Inmate Welfare Fund	EMS Impact Fees	Orange Hill & South Blvd	Hurricane Sally	Church Street & Court Avenue	Public Records Modernization Trust Fund
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Licenses and permits	241,677	-	2,266	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	169,271	-	-	-	-	49,825
Grants	-	-	-	125,416	304,774	206,028	-
Investment earnings	-	298	-	-	-	-	7
Other fees and miscellaneous revenues	2,239	2,552	-	-	-	-	-
Total revenue	243,916	172,121	2,266	125,416	304,774	206,028	49,832
Expenditures							
Current							
General government	-	-	-	125,416	-	-	-
Public health and safety	221,666	62,106	-	-	-	-	-
Physical environment	-	-	-	-	304,774	-	-
Transportation	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	22,973
Capital outlay	-	46,533	-	-	-	206,028	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	221,666	108,639	-	125,416	304,774	206,028	22,973
Excess (deficiency) of revenues over (under) expenditures	22,250	63,482	2,266	-	-	-	26,859
Other financing sources (uses)							
Transfers in	41,809	-	-	-	-	-	-
Transfers out	-	(9,169)	-	-	-	-	-
Installment loan proceeds	-	-	-	-	-	-	-
Transfer to State of Florida	-	-	-	-	-	-	-
Net other financing sources (uses)	41,809	(9,169)	-	-	-	-	-
Net change in fund balances	64,059	54,313	2,266	-	-	-	26,859
Fund balances - beginning	108,568	109,633	5,303	-	-	-	16,398
Fund balances - ending	\$ 172,627	\$ 163,946	\$ 7,569	\$ -	\$ -	\$ -	43,257

See Independent Auditors' Report

Washington County, Florida

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended September 30, 2020

	Special Revenue Funds						Debt Service Funds			Total Nonmajor Governmental Funds
	Law Enforcement Trust Fund II	Highway 79 Corridor	Old Bonifay Road	COVID 19	FFCRA COVID 19	Hurricane Irma	Series 2009 A & B Debt Service	Loan Fund	Debt Service Fund	
Revenues										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	543,844
Licenses and permits	-	-	-	-	-	-	-	-	-	243,943
Intergovernmental	-	-	-	-	-	-	-	-	-	318,981
Charges for services	-	-	-	-	-	-	-	-	-	2,449,237
Grants	-	-	851,177	575,074	-	-	-	-	-	5,807,528
Investment earnings	-	-	-	-	-	-	-	-	-	12,363
Other fees and miscellaneous revenues	-	-	-	-	-	-	-	-	-	96,657
Total revenue	-	-	851,177	575,074	-	-	-	-	-	9,472,553
Expenditures										
Current										
General government	-	-	-	-	-	-	-	-	-	233,397
Public health and safety	-	-	-	513,834	16,137	-	-	-	-	3,354,481
Physical environment	-	-	-	-	-	-	-	-	-	431,718
Transportation	-	-	851,177	-	-	-	-	-	-	3,575,710
Economic environment	-	-	-	-	-	-	-	-	-	399,134
Human services	-	-	-	-	-	-	-	-	-	49,630
Culture and recreation	-	-	-	-	-	-	-	-	-	719,326
Court related	-	-	-	-	-	-	-	-	-	1,054,389
Capital outlay	-	-	-	65,000	-	-	-	-	-	1,621,864
Debt service										
Principal	-	-	-	-	-	-	379,600	-	-	406,960
Interest and other charges	-	-	-	-	-	-	122,822	-	-	131,756
Total expenditures	-	-	851,177	578,834	16,137	-	502,422	-	-	11,978,365
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(3,760)	(16,137)	-	(502,422)	-	-	(2,505,812)
Other financing sources (uses)										
Transfers in	-	-	-	450,000	-	-	502,422	-	-	2,503,295
Transfers out	-	-	-	-	-	-	-	-	-	(52,225)
Installment loan proceeds	-	-	-	-	-	-	-	-	-	125,000
Transfer to State of Florida	-	-	-	-	-	-	-	-	-	(46,726)
Net other financing sources (uses)	-	-	-	450,000	-	-	502,422	-	-	2,529,344
Net change in fund balances	-	-	-	446,240	(16,137)	-	-	-	-	23,532
Fund balances - beginning	84,810	-	-	-	-	-	-	-	-	3,011,412
Fund balances - ending	\$ 84,810	\$ -	\$ -	\$ 446,240	\$ (16,137)	\$ -	\$ -	\$ -	\$ -	3,034,944

See Independent Auditors' Report

Page 1 of 2
Washington County, Florida
Combining Statement of Fiduciary Net Position
Agency Funds

September 30, 2020

	<i>Clerk of the Circuit Court</i>							
	General Trust	Child Support	Jury and Witness	Tax Deeds	Cash Bonds	Registry of Court		
Assets								
Cash	\$ 104,482	\$ 6,429	\$ 4,665	\$ 109,580	\$ 96,572	\$ 257,512		
Due from other funds	183	-	-	-	-	-		
Due from others	494	-	-	-	-	-		
Total assets	\$ 105,159	\$ 6,429	\$ 4,665	\$ 109,580	\$ 96,572	\$ 257,512		
Liabilities								
Due to others	\$ 105,075	\$ 4,675	\$ 4,665	\$ 109,580	\$ 96,558	\$ 257,220		
Due to other funds	84	1,754	-	-	14	292		
Total liabilities	\$ 105,159	\$ 6,429	\$ 4,665	\$ 109,580	\$ 96,572	\$ 257,512		

See Independent Auditors' Report

Page 2 of 2
Washington County, Florida
Combining Statement of Fiduciary Net Position
Agency Funds

September 30, 2020

		<i>Clerk</i>	<i>Sheriff</i>	<i>Tax Collector</i>			
		Dependency	Inmate				
		Mediation	Welfare Trust	Escrow	Tag	Tax	Total
Assets							
Cash	\$	1,701	\$ 49,588	\$ 177,978	\$ (785)	\$ 21,623	\$ 829,345
Due from other funds		-	-	-	-	-	183
Due from others		-	-	-	785	298	1,577
Total assets	\$	1,701	\$ 49,588	\$ 177,978	\$ -	\$ 21,921	\$ 831,105
Liabilities							
Due to others	\$	1,701	\$ 49,588	\$ 177,978	\$ -	\$ 21,921	\$ 828,961
Due to other funds		-	-	-	-	-	2,144
Total liabilities	\$	1,701	\$ 49,588	\$ 177,978	\$ -	\$ 21,921	\$ 831,105

See Independent Auditors' Report

**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**

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, 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 of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washington County, Florida (the "County") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Washington County, Florida's basic financial statements, and have issued our report thereon dated June 29, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items BCC1997-001, and SOE 2019-001 to be material weaknesses.

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items PA2003-003, SH2003-001, SOE2003-003, and TC2003-003 to be significant deficiencies.

Compliance and Other Matters

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

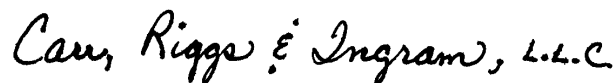
We also noted certain other matters that we reported to the management of the County in a separate letter dated June 29, 2021

Washington County's Response to Findings

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

Purpose of this Report

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



Marianna, Florida
June 29, 2021

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

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Washington County, Florida's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *State of Florida's Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2020. 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 the 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 of Federal Awards* (Uniform Guidance); and *Rules of the Florida Auditor General for Local Government Entity Audits* (Chapter 10.550). Those standards, the Uniform Guidance, and Chapter 10.550 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.

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

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 major state projects for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and 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 Uniform Guidance and Chapter 10.550, 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 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 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 the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

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 Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

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

Marianna, Florida
June 29, 2021

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Washington County, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance

For the year ended September 30, 2020

Federal Agency		CFDA/ CSFA	Contract/Grant Number	Total Expenditures
Pass through entity				
Federal Program				
National Endowment for the Humanities				
Passed through Florida Humanities Council, Inc				
COVID 19 - Promotion of the Humanities Federal/State Partnership	45.129	GR_2020_CARES_100		\$ 10,250
Total National Endowment for the Humanities				10,250
United States Department of Treasury				
Passed through Florida Division of Emergency Management				
COVID 19 - Coronavirus Relief Fund	21.019	Y2302		3,262,430
Total United States Department of Treasury				3,262,430
United States Department of Homeland Security				
Passed through Department of Community Affairs and Florida Division of Emergency Management				
Emergency Management Performance Grants (EMPG)	97.042	G-0038		44,531
Emergency Management Performance Grants (EMPG)	97.042	G-00149		7,908
Total EMPG Programs				52,439
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2014-FF-00339		78,478
Total SAFER Grant Program				78,478
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
FEMA HGMP-DR-4177-14-R	97.036	Z0843		792,731
COVID - FEMA Emergency Protective Measures	97.036	Z2029		300,000
Total FEMA Programs				1,092,731
Total United States Department of Homeland Security				1,223,648
United States Department of Justice				
Office for Victims of Crime				
Passed through Executive Office of the Governor				
Crime Victim Assistance (VOCA)	16.575	431		42,912
Total Office for Victims of Crime				42,912
Passed through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grants	16.738	2020-JAGC-WASH-1-Y5-043		31,545
Bulletproof Vest Partnership Program	16.607	2018BUBX18092144		9,462
Total Florida Department of Law Enforcement				41,007
Total United States Department of Justice				83,919

*See Independent Auditors' Report and
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
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Washington County, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance

For the year ended September 30, 2020

Federal Agency		CFDA/ CSFA	Contract/Grant Number	Total Expenditures
Pass through entity				
Federal Program				
United States Department of Transportation				
Passed through Florida Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction				
Federal-Aid Highway Program-LAP-Sidewalk	20.205	G0K20/438135-2-68-01		\$ 84,341
Total United States Department of Transportation				84,341
United States Department of Health and Human Services				
Passed through Florida Department of Revenue				
Child Support Enforcement Program Title IV Part D (CSE)	93.563	CST-67		92,667
Total United States Department of Health and Human Services				92,667
Election Assistance Commission				
Passed through Florida Department of State				
Help America Vote Act Requirements Payment - Election Security	90.401	MOA-2018-2019-001		49,697
Total Election Assistance Commission				49,697
United States Department of Agriculture				
Cooperative Forestry Assistance Program - Fire				
Services - Hinson Cross	10.664	VFA994		3,115
Cooperative Forestry Assistance Program - Fire				
Services - Sunny Hills	10.664	VFA1024		4,430
Cooperative Forestry Assistance Program - Fire Services				
Services - Greenhead	10.664	VFA964		6,656
Total United States Department of Agriculture				14,201
Total Expenditures of Federal Awards				\$ 4,821,153

*See Independent Auditors' Report and
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance*

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Washington County, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance

For the year ended September 30, 2020

State Financial Assistance State Program	Contract/Grant Number	CFDA/ CSFA	Expenditures
Florida Department of Transportation			
Highway Operations			
Small County Road Assistance Program (SCRAP) - Orange Hill & South Blvd	445019-1-34-01	55.016	\$ 125,416
Small County Road Assistance Program (SCRAP) - Bonnett Pond Rd	440864-1-54-01	55.016	1,414,071
Small County Road Assistance Program (SCRAP) - Cope Rd	442432-1-34-01	55.016	1,208,387
Small County Road Assistance Program (SCRAP) - Old Bonifay Rd	442434-1-34-01	55.016	851,177
Total Small County Road Assistance Program (SCRAP)			3,599,051
Small County Outreach Program (SCOP) - Church Street & Court Avenue	442057-1-54-01	55.009	206,028
Small County Outreach Program (SCOP) - Buckhorn Rd	440629-1-34-01	55.009	23,598
Total Small County Outreach Program (SCOP)			229,626
Total Florida Department of Transportation			3,828,677
Executive Office of the Governor			
Emergency Management Program			
Emergency Management Preparedness Assistance (EMPA)	A-0028	31.063	88,890
Emergency Management Preparedness Assistance (EMPA)	A-0121	31.063	19,089
Total Emergency Management Preparedness Assistance (EMPA)			107,979
Total Executive Office of the Governor			107,979
Florida Housing Finance Corporation			
Florida Housing Finance Corporation Program			
State Housing Initiatives Partnership Program (SHIP)	N/A	40.901	475,609
Total Florida Housing Finance Corporation			475,609
Florida Department of Environmental Protection			
Waste Management Program			
Small County Consolidated Grants	SC-933	37.012	90,909
Total Florida Department of Environmental Protection			90,909
Florida Department of State and Secretary of State			
Library and Information Services Program			
State Aid to Libraries	20-ST-90	45.030	242,156
Total Florida Department of State and Secretary of State			242,156
Florida Department of Management Services			
Technology Program			
Wireless 911 Emergency Telephone System Rural County Grant	S13-19-07-18	72.001	12,631
Wireless 911 Emergency Telephone System Rural County Grant	SG-19-02-27	72.001	60,255
Wireless 911 Emergency Telephone System Rural County Grant	RG-19-10-25	72.001	16,686
Wireless 911 Emergency Telephone System Rural County Grant	RG-19-04-33	72.001	5,797
Total Technology Program			95,369
Prepaid Next Generation 911 (NG911) State Grant Program	RG-20-04-34	72.003	25,000
Total Florida Department of Management Services			120,369

*See Independent Auditors' Report and
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
- 82 -*

Page 4 of 4
Washington County, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance

For the year ended September 30, 2020

State Financial Assistance	Contract/Grant	CFDA/		
State Program	Number	CSFA	Expenditures	
Florida Department of Agriculture and Consumer Services				
Consumer Protection				
Mosquito Control	26499	42.003	\$	44,464
Agriculture Education and Promotion Facility Grant	23902	42.047		160,750
Total Florida Department of Agriculture and Consumer Services				205,214
Total Expenditures of State Financial Assistance				5,070,913
Total Expenditures of Federal Awards and State Financial Assistance				\$ 9,892,066

Note: The County passed funds from the Florida Housing Finance Corporation's State Housing Initiative Program to West Florida Regional Planning Council, a subrecipient, in the amount of \$475,609.

Note: The County passed funds from the Department of the Treasury COVID 19 Coronavirus Relief Funds to City of Chipley, Florida totaling \$398,818 as of September 30, 2020.

*See Independent Auditors' Report and
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance*

Washington County, Florida
Notes to Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the year ended September 30, 2020

Note 1: BASIS OF ACCOUNTING

The supplementary schedule of expenditures of federal award and state financial assistance includes the grant activity of Washington County, Florida (the County). Federal and state expenditures are presented on the modified accrual basis of accounting. The information in these schedules is presented in accordance with the requirement of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Florida Auditor General*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation 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 or changes in net position or fund balance of the County.

Note 2: REPORTING ENTITY

The County for purposes of the supplementary schedule of expenditures of federal award and state financial assistance includes all the funds of the primary government as defined by GASB 14, *The Financial Reporting Entity*.

Note 3: PASS-THROUGH AWARDS

The County receives certain federal awards from pass-through awards of the State. The total amount of such pass-through awards is included on the supplementary schedule of expenditures of federal award and state financial assistance.

Note 4: INDIRECT COST RATE

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

Washington County, Florida
Schedule of Findings and Questioned Costs
For the year ended September 30, 2020

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements:

- | | |
|--|-----------|
| 1. Type of auditors’ report issued | Qualified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | | | | | |
|--|------------------------------------|-----------------|--------|------------------------------------|--|
| 1. Type of auditors’ report issued on compliance for major programs | Unmodified | | | | |
| 2. Internal control over major programs: | | | | | |
| a. Material weaknesses identified? | No | | | | |
| b. Significant deficiencies identified? | None noted | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? | None noted | | | | |
| 4. Identification of major programs: | | | | | |
| <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; padding: 0 10px;">CFDA Number</td> <td style="border-bottom: 1px solid black; padding: 0 10px;">Federal Program</td> </tr> <tr> <td style="padding: 0 10px;">21.019</td> <td style="padding: 0 10px;">COVID 19 – Coronavirus Relief Fund</td> </tr> </table> | CFDA Number | Federal Program | 21.019 | COVID 19 – Coronavirus Relief Fund | |
| CFDA Number | Federal Program | | | | |
| 21.019 | COVID 19 – Coronavirus Relief Fund | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 | | | | |
| 6. Auditee qualified as low-risk auditee under 2 CFR 200.520? | No | | | | |

State Financial Assistance:

- | | |
|---|------------|
| 1. Type of auditors’ report issued on compliance for major projects | Unmodified |
| 2. Internal control over major projects: | |
| a. Material weaknesses identified? | No |

Washington County, Florida
Schedule of Findings and Questioned Costs
For the year ended September 30, 2020

- b. Significant deficiencies identified? None noted
3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, Rules of the Auditor General? None noted
4. Identification of major projects:
- | <u>CSFA Number</u> | <u>State Project</u> |
|--------------------|--|
| 55.016 | Small County Road Assistance Program (SCRAP) |
5. Dollar threshold used to distinguish between type A and type B projects: \$750,000

SECTION II – FINANCIAL STATEMENT FINDINGS

CAPITAL ASSETS RECORDS, FINDING BCC1997-001

CRITERIA: Generally Accepted Accounting Principles require recordkeeping and recording of all material capital assets and related depreciation.

CONDITION: A complete and accurate listing of all property, equipment, and infrastructure has not been maintained or reconciled to the depreciation schedules and recorded balances. As a result, the recorded capital asset balances and related depreciation amounts are not in agreement with available supporting documentation.

CAUSE: Historical records for all property, equipment, and infrastructure have not been sufficiently maintained in the past.

EFFECT: The lack of supporting documentation for the recorded capital asset balances and related depreciation amounts as reported on the government-wide Statement of net Position does not allow for an unmodified opinion.

RECOMMENDATION: The County should undertake a project to ensure all assets are recorded on the capital asset listing at cost or estimated historical cost, establish a depreciation schedule and reconcile these to the recorded balances on the general ledger. A formal policy should be established regarding acquisition and disposition of all assets and a physical inventory be taken at least annually.

STATUS: The County is currently addressing this recommendation and great improvement has been made with regards to the asset inventory. This is a process that will take place over a period of time.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 97.

Washington County, Florida
Schedule of Findings and Questioned Costs
For the year ended September 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

FINANCIAL REPORTING, SOE 2019-001

CRITERIA: Internal control activities and procedures should be structured and monitored to provide accurate financial reporting.

CONDITION: Existing control activities and procedures did not detect errors in various account balances.

CAUSE: Accounting staff did not detect errors in the financial reports or individual account balances due to lack of understanding of accrual accounting practices.

EFFECT: Various accounts including fund balance, unearned revenue, and related income and expenses were materially incorrect.

RECOMMENDATION: We recommend that all balance sheet accounts and related expenses be reviewed and reconciled to supporting documentation.

STATUS: This condition continues to exist and has not been corrected. This resulted in over spending of budgeted amounts for 2020.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 97.

Washington County, Florida
Schedule of Findings and Questioned Costs
For the year ended September 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

EFFECT: The lack of supporting documentation for the recorded capital asset balances and related depreciation amounts as reported on the government-wide Statement of Net Position does not allow for an unmodified audit opinion.

RECOMMENDATION: The County should undertake a project to ensure all assets are recorded on the capital asset listing at cost or estimated historical cost, establish a depreciation schedule and reconcile these to the recorded balances on the general ledger. A formal policy should be established regarding the acquisition and disposition of all assets, and a physical inventory should be taken at least annually.

STATUS: The County is currently addressing this recommendation and great improvement has been made with regards to the asset inventory. This is a process that will take place over a period of time.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 97.

NEED FOR SEGREGATION OF DUTIES, SH2003-001

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of the Sheriff's assets.

CAUSE: The Sheriff has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Sheriff's administrative staff, it is difficult to achieve ideal separation of duties. However, the Sheriff should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 97.

STATUS: This condition continues to exist.

Washington County, Florida
Schedule of Findings and Questioned Costs
For the year ended September 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

NEED FOR SEGREGATION OF DUTIES, PA2003-003

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of the Property Appraiser's assets.

CAUSE: The Property Appraiser has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Property Appraiser's administrative staff, it is difficult to achieve ideal separation of duties. However, the Property Appraiser should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

STATUS: This condition continues to exist.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 97.

NEED FOR SEGREGATION OF DUTIES, SOE 2003-003

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of the Supervisor of Elections' assets.

CAUSE: The Supervisor of Elections has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Supervisor of Elections' administrative staff, it is difficult to achieve ideal separation of duties. However, the Supervisor of Elections should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

Washington County, Florida
Schedule of Findings and Questioned Costs
For the year ended September 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

STATUS: This condition continues to exist.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 97.

NEED FOR SEGREGATION OF DUTIES, TC2003-003

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of the Tax Collector's assets.

CAUSE: The Tax Collector has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Tax Collector's administrative staff, it is difficult to achieve ideal separation of duties. However, the Tax Collector should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

STATUS: This condition continues to exist.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 97.

SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS

There were no current year audit findings.

Washington County, Florida
Summary Schedule of Prior Audit Findings
For the year ended September 30, 2020

SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

FINANCIAL STATEMENT FINDINGS

ACCRUED EXPENSES, FINDING BCC2019-001 - RESOLVED

CRITERIA: Accrued expenses are recorded when a liability is incurred.

CONDITION: An accrual for a lawsuit settlement in the General fund was recorded at September 30, 2018.

CAUSE: The settlement was paid for by the insurance carrier instead of funds from the General fund during the year ended September 30, 2019.

EFFECT: Liabilities were overstated at September 30, 2018.

RECOMMENDATION: Accrued liabilities should only be recorded for items that will be paid from County funds.

STATUS: This condition has been resolved.

FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS

None.

**INDEPENDENT AUDITORS'
MANAGEMENT LETTER**

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

Report on the Financial Statements

We have audited the financial statements of Washington County, Florida (the "County") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 29, 2021. That report has a modified opinion.

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 of 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 on Internal Control over Compliance Required By Uniform Guidance and Chapter 10.550 Rules of the Florida Auditor General; Schedule of Findings and Questioned Costs; Independent Accountants' Report on an examination conducted in accordance with *AICPA Profession 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 29, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted under the heading "Schedule of Findings and Questioned Costs."

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

Official Title and Legal Authority

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

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 conditions 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 the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any findings and recommendations to improve financial management. In connection with our audit, we have no 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 charges with governance. No such instances were noted.

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

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 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.

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

Marianna, Florida
June 29, 2021



Carr, Riggs & Ingram, LLC
4267 Lafayette Street
Marianna, FL 32446

Mailing Address:
P.O. Box 1606
Marianna, FL 32447

(850) 526-3207
(850) 526-5322 (fax)
www.cricpa.com

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT
INVESTMENT POLICIES***

To the Honorable Board of County Commissioners
and Constitutional Officers of Washington County, Florida
Chipley, Florida

We have examined Washington 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, 2020. Management is responsible for the Washington County, Florida's compliance with those requirements. Our responsibility is to express an opinion on the Washington County, Florida's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, 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, 2020.

This report is intended solely for the information and use of management, the Board of County Commissioners 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

Marianna, Florida
June 29, 2021



Carr, Riggs & Ingram, LLC
4267 Lafayette Street
Marianna, FL 32446

Mailing Address:
P.O. Box 1606
Marianna, FL 32447

(850) 526-3207
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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH
SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES**

To the Honorable Board of County Commissioners
of Washington County, Florida
Chipley, Florida

We have examined Washington 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, 2020. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, 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, 2020.

This report is intended solely for the information and use of management, the Board of County Commissioners 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.

Marianna, Florida
June 29, 2021

Washington County, Florida Management's Response



LORA C. BELL
Clerk of Court and Comptroller
Washington County, Florida | Fourteenth Judicial Circuit

June 24, 2021

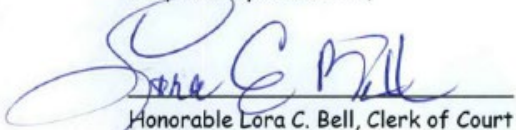
To whom it may concern:

I am in receipt of the audit report for the Washington County, Florida, Board of County Commissioners, for the fiscal year September 30, 2020, and offer my response to the audit findings noted in the independent Auditors' Report on Internal Control Over Financial Reporting and the Schedule of Findings and Questioned Costs. Accordingly, the following comments are provided.

BCC 1997-001-Capital Assets Records:

The County has designated an employee to take an Inventory of all County-owned property and much progress has been made in this area. Establishing such records, while not impossible, is a very significant undertaking for a small rural County with limited resources. Compiling a list of the assets owned by the County, and determining a cost or estimated historical cost, has required much time and effort. Nonetheless, we are committed to seeing this project to its completion. We do expect that this audit finding will remain until we complete our work in this area.

Respectfully submitted,


Honorable Lora C. Bell, Clerk of Court
Washington County

A Public Office is a Public Trust

Office Location:
1293 Jackson Avenue
Chipley, FL 32428

Mailing Address:
Post Office Box 647
Chipley, FL 32428-0647

Telephone: 850-638-6285
Fax: 850-638-6288
www.washingtonclerk.com

Washington County, Florida Management's Response



LORA C. BELL
Clerk of Court and Comptroller
Washington County, Florida | Fourteenth Judicial Circuit

June 24, 2021

To whom it may concern:

I am in receipt of the audit report for the Washington County, Florida, Clerk of the Circuit Court, for the fiscal year ending September 30, 2020, and offer my response to the audit findings noted in the Independent Auditors' Report on Internal Control. Accordingly, the following comments are provided.

COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES, DEPOSITORY FOR FEES

The auditor's findings on page 28 of this report, reflect delayed payment of fees. This was an accounting oversight that we have recognized in part, to be a result of our employees sharing time between home and office due to COVID-19 restrictions. However, we are strengthening internal controls as assurance of this being avoided in the future.

Respectfully submitted,


Honorable Lora Bell, Clerk of Court
Washington County

A Public Office is a Public Trust

Office Location:
1293 Jackson Avenue
Chipley, FL 32428

Mailing Address:
Post Office Box 647
Chipley, FL 32428-0647

Telephone: 850-638-6285
Fax: 850-638-6288
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Washington County, Florida
Management's Response



KEVIN CREWS, Sheriff WASHINGTON COUNTY

711 THIRD STREET • P.O. BOX 626 • CHIPLEY, FLORIDA 32428
PHONE (850) 638-6111 • FAX (850) 638-6184 • www.wcso.us

June 24, 2021

Florida Auditor General
111 W Madison St. #G74
Tallahassee, FL 32399

Dear Sirs/Madam:

Please accept this letter in response to the Independent Auditor's Report to management included in the audit report for the Washington County Sheriff's Office for the fiscal year September 30, 2020.

Due to the size of the office and the daily workload we are limited in personnel to currently assist in the duties of the finance department, however, we will continue to monitor the responsibilities of the Finance Clerks to ensure that all procedures are adhered to. This condition is being corrected.

Should further information be required please contact me at (850) 638-6124.

Sincerely,

A handwritten signature in green ink, appearing to read "Kevin Crews".

Kevin Crews
Sheriff, Washington County

Washington County, Florida Management's Response



Phone: (850) 638-6205
Fax: (850) 638-6027

GIL CARTER, CFA WASHINGTON COUNTY PROPERTY APPRAISER

1331 South Blvd., Suite 300
P. O. Box 695
Chipley, FL 32428



Email: gil.carter@washcofl.com
Website: www.washcofl.com/pa

January 25, 2021

Carr, Riggs & Ingram
4267 Lafayette St
Marianna, FL 32446

To Whom It May Concern:

We are in receipt of the Washington County Property Appraiser's audit report for the fiscal year ended September 30, 2020. In response to the internal control and compliance the following applies:

Segregation of Duties – I will continue to remain active in the day-to-day operations of the Property Appraiser's Office. This is a small office with employees who have overlapping duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on a monthly basis.

If I can be of further assistance, please contact me at 850-638-6205.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gil Carter".

Gil Carter, CFA
Washington County Property Appraiser

Washington County, Florida Management's Response



Carol Finch Rudd
Supervisor of Elections
Washington County

Mailing Address:
1331 South Blvd., Suite 900
Chipley, FL 32428

Telephone No.
850-638-6230

Fax No.
850-638-6238

To Whom It May Concern:

Subject: Washington County, Florida Supervisor of Elections – Management's Response

We are in receipt of the audit report for the Washington County Supervisor of Elections office for fiscal year ending September 2020. I have reviewed the letter regarding compliance and internal control the schedule of findings and questioned costs and the management letter. Concerning items noted, the following applied;

This is a small office with employees who have overlapping job duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on a monthly basis. We continue to work with a CPA from Leslie Tucker's firm with any questions or concerns. This has proven to be very helpful and we will continue to rely on their services to ensure properly maintained records.

If I may be of further service, please do not hesitate to contact our office.

Sincerely,



Carol Rudd, MFCEP
Supervisor of Elections
Washington Co., FL

Washington County, Florida Management's Response



Main Office Hours
Monday - Friday 8:00am - 4:00pm
Ph: (850) 638-6275
Fx: (850) 638-6067

Drivers License Hours
Monday - Friday 8:00am - 4:00pm
Ph: (850) 638-6284

February 23, 2021

To Whom It May Concern:

I am in receipt of the audit report for the Washington County, Florida, Tax Collector for the fiscal year ending September 30, 2020. I have reviewed the letter regarding compliance and internal control, the schedule of findings and questioned costs and the management letter. Concerning the items noted, the following apply:

1. Segregation of Duties: I will continue to remain active in the day-to-day operations of the Tax Collector's Office. This is a small office with employees who have overlapping duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on monthly basis.

If I can be of any further assistance, please let me know.

Sincerely,

Ken Naker, CFC
Tax Collector

**Washington County, Florida
Clerk of the Circuit Court**

Financial Statements

September 30, 2020



CRI CARR
RIGGS &
INGRAM
CPAs and Advisors

CRlcpa.com

Washington County, Florida
Clerk of the Circuit Court
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September 30, 2020

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REPORT

INDEPENDENT AUDITORS' REPORT

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington 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 Washington County, Florida, Clerk of the Circuit Court (the "Clerk") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Clerk'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 statement 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 Clerk'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.

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

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 remaining aggregate fund information of the Clerk as of September 30, 2020, and the respective changes in financial position, where applicable, and the respective budgetary comparison for the General Fund, Fine and Forfeiture Fund and Public Records Modernization Trust Fund 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 Washington County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Clerk's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2021 on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

Marianna, Florida
June 22, 2021



FINANCIAL STATEMENTS



Washington County, Florida
Clerk of the Circuit Court
Balance Sheet
Governmental Funds

<i>September 30, 2020</i>	General Fund	Fine and Forfeiture Fund	Public Records Modernization Trust Fund	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 17,140	\$ 60,568	\$ -	\$ 77,708
Restricted cash and cash equivalents	-	-	59,972	59,972
Accounts receivable	-	14,092	-	14,092
Due from Board of County Commission	6,856	-	-	6,856
Due from other funds	16,727	2,057	13,235	32,019
Prepaid expenses	1,970	1,117	-	3,087
Total assets	\$ 42,693	\$ 77,834	\$ 73,207	\$ 193,734
Liabilities				
Accounts payable and accrued expenses	\$ 29,456	\$ 21,602	\$ 29,543	\$ 80,601
Due to the Board of County Commissioner:	-	19,231	-	19,231
Due to other governmental units	-	14,516	-	14,516
Due to other funds	13,237	16,414	407	30,058
Unearned revenue	-	6,071	-	6,071
Total liabilities	42,693	77,834	29,950	150,477
Fund balances				
Restricted	-	-	43,257	43,257
Total fund balances	-	-	43,257	43,257
Total liabilities and fund balances	\$ 42,693	\$ 77,834	\$ 73,207	\$ 193,734

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

Washington County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenditures and
Changes in Fund Balance – Governmental Funds

<i>For the year ended September 30, 2020</i>	General Fund	Fine and Forfeiture Fund	Public Records Modernization Trust Fund	Total Governmental Funds
Revenues				
Grants	\$ -	\$ 92,667	\$ -	\$ 92,667
Intergovernmental	-	301,876	-	301,876
Charges for services	138,689	394,041	49,825	582,555
Investment earnings	310	58	7	375
Other fees and miscellaneous revenues	280	1,113	-	1,393
Total revenues	139,279	789,755	49,832	978,866
Expenditures				
Current				
General government	622,305	-	-	622,305
Court-related	-	788,069	22,973	811,042
Total expenditures	622,305	788,069	22,973	1,433,347
Excess (deficiency) of revenues over (under) expenditures	(483,026)	1,686	26,859	(454,481)
Other financing sources (uses)				
Transfers in	483,026	-	-	483,026
Transfers out	-	-	-	-
Transfers to State of Florida	-	(46,726)	-	(46,726)
Net other financing sources	483,026	(46,726)	-	436,300
Net change in fund balances	-	(45,040)	26,859	(18,181)
Fund balance - beginning	-	45,040	16,398	61,438
Fund balance - ending	\$ -	\$ -	\$ 43,257	\$ 43,257

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

Washington County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
General Fund

<i>For the year ended September 30, 2020</i>	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Charges for services	\$ 145,000	\$ 152,931	\$ 138,689	\$ (14,242)
Investment earnings	-	-	310	310
Other fees and miscellaneous revenues	-	-	280	280
Total revenues	145,000	152,931	139,279	(13,652)
Expenditures				
Current				
General government	614,376	622,307	622,305	2
Total expenditures	614,376	622,307	622,305	2
Excess (deficiency) of revenues over (under) expenditures	(469,376)	(469,376)	(483,026)	(13,650)
Other financing sources (uses)				
Transfers in	469,376	469,376	483,026	13,650
Net other financing sources	469,376	469,376	483,026	13,650
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

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

Washington County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Fine and Forfeiture Fund

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
<i>For the year ended September 30, 2020</i>				
Revenues				
Grants	\$ 89,000	\$ 92,666	\$ 92,667	\$ 1
Intergovernmental	333,505	319,162	301,876	(17,286)
Charges for services	461,021	377,929	394,041	16,112
Investment earnings	-	-	58	58
Other fees and miscellaneous revenues	-	-	1,113	1,113
Total revenues	883,526	789,757	789,755	(2)
Expenditures				
Current				
Court-related	883,526	789,757	788,069	1,688
Total expenditures	883,526	789,757	788,069	1,688
Excess (deficiency) of revenues over (under) expenditures	-	-	1,686	1,686
Other financing sources (uses)				
Transfers out	-	-	(46,726)	(46,726)
Net other financing sources	-	-	(46,726)	(46,726)
Net change in fund balance	\$ -	\$ -	\$ (45,040)	\$ (45,040)

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

Washington County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Public Records Modernization Trust Fund

	Original		Final		Actual		Variance with
	Budget		Budget		Amounts		Final Budget
<i>For the year ended September 30, 2020</i>							Favorable
							(Unfavorable)
Revenues							
Charges for services	\$	49,832	\$	49,832	\$	49,825	\$ (7)
Investment earnings		-		-		7	7
Total revenues		49,832		49,832		49,832	-
Expenditures							
Current							
General government		49,832		49,832		-	49,832
Court-related		-		-		22,973	(22,973)
Total expenditures		49,832		49,832		22,973	26,859
Excess (deficiency) of revenues over (under) expenditures		-		-		26,859	26,859
Other financing sources (uses)							
Transfers out		-		-		-	-
Net other financing sources		-		-		-	-
Net change in fund balance	\$	-	\$	-	\$	26,859	\$ 26,859

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

Washington County, Florida
Clerk of the Circuit Court
Statement of Fiduciary Net Position
Agency Funds

<i>September 30, 2020</i>	Agency Funds
Assets	
Cash and cash equivalents	\$ 580,940
Due from other funds	183
Total assets	\$ 581,123
Liabilities	
Due to other funds	\$ 2,144
Due to others	578,979
Total liabilities	\$ 581,123

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

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

The Washington County, Florida Clerk of Circuit Court (Clerk) is an integral part of Washington County, Florida and is an elected Constitutional Officer who is governed by state statutes and regulations. The financial statements of the Clerk are included in Washington County, Florida's basic financial statements. The Clerk operates on a fee and budgetary system. Under the fee system, the officer retains fees, commissions, and other revenue to pay all operating expenditures, including statutory compensation. Under the budgetary system, appropriated funds are received from the Board of County Commissioners and any unexpended appropriations are remitted to the Board of County Commissioners after the end of the fiscal year. The receipts from the Board are recorded as other financing sources on the Clerk's financial statements and as other financing uses on the Board's financial statements. Effective June 1, 2013, the Clerk was authorized to retain funds collected for court-related fines, fees and service charges. The Clerk will also receive a monthly appropriation from the State of Florida Clerk of Court Trust Fund for any shortage of revenues up to the approved budget. The receipts from the State are recorded as intergovernmental revenue on the Clerk's financial statements. As specified in Florida Senate Bill 1512, spending authority will continue to be provided by the State and will follow the county fiscal year (October 1 to September 30). The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Washington County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Clerk's office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as part of the primary government of Washington County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Washington County, Florida taken as a whole. As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Clerk.

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The Clerk'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 Clerk has not presented reconciliations to 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 each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Washington County, Florida, that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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.

In preparing these financial statements the following are reported as major governmental funds:

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

Fine and Forfeiture Fund - This fund is primarily used to account for and report court-related revenues and associated expenditures used exclusively to fund the Office's court functions.

Public Records Modernization Trust Fund - The modernization trust fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The Clerk also reported the following fund type:

Agency Funds - Agency funds are custodial in nature and account for assets held in a trust capacity or as agent for individuals, other governmental units and/or other funds. Agency funds only report assets and liabilities and do not measure results of operations.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) and (b) expenditures are recorded in the accounting period in which the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

The fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

When both restricted and unrestricted resources are available for use, it is the Clerk's policy to use restricted resources first, then unrestricted resources as needed.

Fund Balance Reporting and Governmental Fund – Type Definitions

The Clerk adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54) effective October 1, 2010. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Funds balances are classified either as non-spendable or spendable. See Note 9.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short term investments with a maturity date within three months of the date acquired by the government.

Capital Assets and Depreciation

Tangible personal property is recorded as expenditures in the governmental fund types at the time an asset is acquired. Assets acquired by the Clerk are capitalized at cost in the capital asset accounts of the County. The Clerk's assets are reported in the statement of net assets in the County's financial statements. The Clerk maintains custodial responsibility for the capital assets used by her office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment

3-30 years

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accumulated Compensated Absences

Permanent full-time employees of the Clerk are entitled to accrue sick leave hours based on pay periods worked, with a limit on total hours accrued being 240 hours. Vacation time is earned depending on the length of employment. Upon separation from employment, employees can be paid for unused sick leave and annual leave in accordance with personnel policy.

The Clerk's accumulated compensated absences are reported in the statement of net position in the County's financial statements.

Budgetary Requirements

Florida Statutes, Chapter 218.35 and 195.087, details the preparation, adoption and administration of the Clerk's annual budget. The Clerk establishes an annual balanced budget for her office which displays the revenues available to the office and the functions for which the money is to be expended. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Department of Revenue and the Board of County Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles.

Due to Others

This account is used to account for assets held by the Clerk in a trustee capacity for other governmental agencies or individuals.

Risk Management and Insurance

The Clerk is covered under the Board of County Commissioners insurance policies. The Board insures itself against losses from casualty, accident and dishonesty by purchasing insurance through a local insurance agency. The Board believes the level of insurance purchased is adequate to protect against material loss. No significant changes in coverage or claims have been made in the last year.

Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make use of estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from estimates.

Subsequent Events

The Clerk has evaluated subsequent events through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued, June 22, 2021, and determined there were no events that occurred that required disclosure.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Expenses

General fund and fine and forfeiture fund expenditures for dues and hosting services extending over more than one accounting period are accounted for as expenditures in the period services are used.

Unearned Revenues

The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available, and in accordance with the modified accrual basis of accounting, are reported as unearned revenues.

Interfund Loans and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Impact of Recently Issued Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83 (GASB 83), *Certain Asset Retirement Obligations*. GASB 83 establishes standards of accounting and financial reporting requirements for legally enforceable liabilities associated with the retirement of certain tangible capital assets. State and local governments that have legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the regulation of GASB 83. The requirements of GASB 83 are effective for reporting periods beginning after June 15, 2019. GASB 83 had no impact on the Clerk’s financial statements.

In March 2018, the GASB issued Statement No. 88 (GASB 88), *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB 88 requires that additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, GASB 88 also requires that existing and additional information be provided for direct borrowings and direct placement of debt separately from other debt. See Note 6 for additional disclosures related to the implementation of GASB 88.

In May 2020, the GASB issued Statement No. 95 (GASB 95), *Postponement of the Effective Date of Certain Authoritative Guidance*. GASB 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. GASB 95 had no impact on the Clerk’s financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective

In January 2017, the GASB issued Statement No. 84 (GASB 84), *Fiduciary Activities*. GASB 84 establishes specific criteria for identifying fiduciary activities and the requirements for financial statement reporting. The focus of the criteria is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. GASB 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. In addition, recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred which compels the government to disburse fiduciary resources should also be reported. GASB 84 will be effective for the fiscal years beginning after December 15, 2019.

In June 2017, the GASB issued Statement No. 87 (GASB 87), *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of GASB 87 are effective for reporting periods beginning after June 15, 2021.

In June 2018, the GASB issued Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of GASB 89 are effective for reporting periods beginning after December 15, 2020.

In August 2018, the GASB issued Statement No. 90 (GASB 90), *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of GASB 90 are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of GASB 90 are effective for reporting periods beginning after December 15, 2019. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The primary objectives of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of GASB 91 are effective for reporting periods beginning after December 15, 2021.

In January 2020, the GASB issued Statement No. 92 (GASB 92), *Omnibus 2020*. The objectives of GASB 92 are to enhance the comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of GASB 92 are effective for reporting periods beginning after June 15, 2021.

In March 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The purpose of GASB 93 is to address accounting and financial reporting implications that result from the replacement of interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). GASB 93 achieves this objective by (1) providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, (2) clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, (3) clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable, (4) removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, (5) identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of the interest rate swap, and (6) clarifying the definition of reference rate, as it is used in Statement 53, as amended. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

In March 2020, the GASB issued Statement No. 94 (GASB 94), *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of GASB 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in GASB 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in GASB 94 as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in GASB 94, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB 94 is effective for fiscal years beginning after June 15, 2022.

In May 2020, the GASB issued Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB 96 is effective for fiscal years beginning after June 15, 2022.

In June 2020, the GASB issued statement No. 97 (GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of GASB 97 are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements for GASB 97 are effective for reporting periods beginning after June 15, 2021.

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 2: DEPOSITS AND INVESTMENTS

At September 30, 2020, the carrying amount of the Clerk's deposits was \$718,620 and the bank balance was \$755,536. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the Clerk to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Clerk to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

CREDIT RISK

The credit risk of certain investments, such as investment pools managed by other governments, cannot be categorized as to credit risk because the Clerk's investments are not evidenced by specific, identifiable investment securities.

INTEREST RATE RISK

At September 30, 2020, the Clerk did not hold any investments that were considered to have interest rate risk.

CUSTODIAL CREDIT RISK

As of September 30, 2020, the Clerk did not hold any deposits or investments that were considered to have custodial credit risk.

CONCENTRATION OF CREDIT RISK

At September 30, 2020, the Clerk did not hold any investments that were considered to have concentration of credit risk.

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 3: EMPLOYEE PENSION PLAN

The Clerk participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost-of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory.

Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers and employees pay contributions at rates determined each year by the legislature. The employer rates, as a percentage of gross earnings, are as follows:

	<u>10/01/19</u> <u>Through</u> <u>06/30/19</u>	<u>07/01/19</u> <u>Through</u> <u>09/30/20</u>
Regular employees	8.47%	10.00%
Senior management	25.41%	27.29%
Elected county officials' class	48.82%	49.18%

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. For the year October 01, 2019 through September 30, 2020, the total payroll for all covered employees by the System was \$917,717. The retirement contributions for all employees covered by the System for the years ended September 30, 2020, 2019 and 2018 were \$148,425, \$138,699, and \$119,466 respectively, which were the required contributions. For the year ended September 30, 2020, retirement contributions represented 16.17% of covered payroll.

Note 3: EMPLOYEE PENSION PLAN (Continued)

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Washington County, Florida Clerk's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change.

Note 4: POST EMPLOYMENT BENEFITS OTHER THAN PENSION

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Clerk are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 5: COURT RELATED FEES

Based on the legal opinion provided by the Clerks of Court Operations Corporation general counsel of the provisions of Section 28.37(3), F.S., which was adopted as policy by the CCOC Finance and Budget Committee, all excess court-related funds have been included in a fund liability, Due to Other Governmental Units. As of September 30, 2020, excess court-related funds were \$14,516.

Note 6: COOPERATIVE AGREEMENT

The Clerk has a Cooperative Agreement with the Florida Department of Revenue. This agreement encompasses all the Clerk's child support functions. It allows for indirect cost reimbursement. The Clerk uses an established indirect cost rate to invoice the Department of Revenue each month. These amounts are federal funds received under CFDA #93.563. The net amount received was \$92,667.

Note 7: EXCESS REVENUE

Pursuant to Section 218.36(2), Florida Statutes, each County Officer shall pay into the county general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145. For the year ended September 30, 2020, excess revenues over expenditures of \$-0- are accrued and reported as a transfer out.

Note 8: BALANCES DUE TO/FROM OTHER FUNDS

Balances due to/from other funds at September 30, 2020, consist of the following:

Receivable Fund	Payable Fund	Amount
Governmental Funds		
Fine and Forfeiture	Agency funds	\$ 1,591
Fine and Forfeiture	PRMTF	407
Fine and Forfeiture	Agency funds	59
General fund	Fine and Forfeiture	16,414
General fund	Agency funds	313
PRMTF	General fund	13,235
Agency funds	PRMTF	20
Agency funds	PRMTF	163
Total governmental funds		\$ 32,202

Washington County, Florida
Clerk of the Circuit Court
Notes to Financial Statements

Note 8: BALANCES DUE TO/FROM OTHER FUNDS (Continued)

Balances due are for general operating activity. All amounts will be repaid within one year. The remaining balances were generally used to meet cash demands on allowable Clerk expenditures that will be repaid within one year.

Note 9: FUND BALANCES

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Clerk had no non-spendable fund balances at September 30, 2020.

Spendable fund balances are classified based on a hierarchy of the Clerk's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. For the year ended September 30, 2020, the Clerk reports fund balance as committed and restricted. Restricted net assets have externally imposed constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund. For the year ended September 30, 2020, the Clerk reported \$43,257 in restricted fund balance for the modernization of public records and court-related technology.

Note 10: LITIGATION AND CONTINGENT LIABILITIES

The Clerk 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 impact on the Clerk's financial position.

NOTE 11: UNCERTAINTIES

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 Clerk of the Court. 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.



SUPPLEMENTARY INFORMATION



Washington County, Florida
Clerk of the Circuit Court
Combining Statement of Fiduciary Net Position
Agency Funds

<i>September 30, 2020</i>	General Trust	Child Support	Jury and Witness	Tax Deeds	Cash Bonds	Registry of Court	Dependency Mediation	Total
Assets								
Cash and cash equivalents	\$ 104,482	\$ 6,429	\$ 4,664	\$ 109,580	\$ 96,572	\$ 257,512	\$ 1,701	\$ 580,940
Due from other funds	183	-	-	-	-	-	-	183
Total assets	\$ 104,665	\$ 6,429	\$ 4,664	\$ 109,580	\$ 96,572	\$ 257,512	\$ 1,701	\$ 581,123
Liabilities								
Due to other funds	\$ 84	\$ 1,754	\$ -	\$ -	\$ 14	\$ 292	\$ -	\$ 2,144
Due to others	104,581	4,675	4,664	109,580	96,558	257,220	1,701	578,979
Total liabilities	\$ 104,665	\$ 6,429	\$ 4,664	\$ 109,580	\$ 96,572	\$ 257,512	\$ 1,701	\$ 581,123

See Independent Auditors' Report



COMPLIANCE SECTION

**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***

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington 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 Washington County, Florida, Clerk of the Circuit Court (the "Clerk") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements and have issued our report thereon dated June 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk'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 Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk'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 or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk'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 Clerk'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.

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

Marianna, Florida
June 22, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION
218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES***

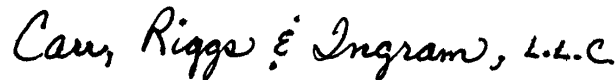
Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk did comply, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

This report is intended solely for the information and use of 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.



Marianna, Florida
June 22, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION
28.35, FLORIDA STATUTES, *FLORIDA CLERKS OF COURT OPERATIONS*
CORPORATION, AND SECTION 28.36, FLORIDA STATUTES, *BUDGET PROCEDURE***

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

We have examined the office of the Washington County, Florida, Clerk of Circuit Court's (the "Clerk") 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, 2020. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

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

This report is intended solely for the information and use of 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.

Marianna, Florida
June 22, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION
61.181, FLORIDA STATUTES, *DEPOSITORY FOR ALIMONY TRANSACTIONS,
SUPPORT, MAINTENANCE AND SUPPORT PAYMENTS; FEES***

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

We have examined the office of the Washington County, Florida, Clerk of Circuit Court's (the "Clerk") 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, 2020. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk did not comply, in all material respects, with the aforementioned requirements for the year ended September 30, 2020. The specified fees collected were not remitted timely for five out of the twelve months tested.

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.

Marianna, Florida
June 22, 2021



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INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Washington County, Florida Clerk of the Circuit Court (the "Clerk"), as of and for the year ended September 30, 2020, and have issued our report thereon dated June 22, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's 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 Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 22, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Honorable Lora C. Bell
Clerk of the Circuit Court
Washington County, Florida

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Washington County, Florida, Clerk of the Circuit Court was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Washington County, Florida, Clerk of the Circuit Court.

Financial Condition and 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 have 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, and the Washington County, Florida, Clerk and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

Marianna, Florida
June 22, 2021

Washington County, Florida Sheriff

Financial Statements

September 30, 2020



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CPAs and Advisors

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Washington County, Florida
Sheriff
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September 30, 2020

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REPORT



INDEPENDENT AUDITORS' REPORT

Honorable Kevin Crews
Sheriff
Washington 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 Washington County, Florida, Sheriff (the "Sheriff") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Sheriff'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 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 Sheriff'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.

Honorable Kevin Crews
Sheriff
Washington County, Florida

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 aggregate remaining fund information of the Sheriff as of September 30, 2020, and the respective changes in financial position, where applicable, and the respective budgetary comparisons for the General Fund, Emergency Medical Services Fund and Inmate Welfare Fund 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 Washington County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2021 on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

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

Marianna, Florida
June 16, 2021



FINANCIAL STATEMENTS



Washington County, Florida
Sheriff
Balance Sheet
Governmental Funds

	Major funds			Total
	General	Emergency	Inmate	Total
	Fund	Medical	Welfare	Governmental
		Services Fund	Fund	Funds
<i>September 30, 2020</i>				
Assets				
Cash and cash equivalents	\$ 90,687	\$ 112,370	\$ -	\$ 203,057
Restricted cash and cash equivalents	79,369	-	174,792	254,161
Due from other governmental units	78,571	-	-	78,571
Accounts receivable, net	61,974	156,311	-	218,285
Due from Board of County Commission	16,535	7,862	-	24,397
Total assets	\$ 327,136	\$ 276,543	\$ 174,792	\$ 778,471
Liabilities				
Accounts payable and accrued expenses	\$ 237,135	\$ 20,823	\$ 10,846	\$ 268,804
Due to other governmental units	-	39,927	-	39,927
Due to Board of County Commissioners	10,633	-	-	10,633
Total liabilities	247,768	60,750	10,846	319,364
Fund balance				
Unrestricted	-	215,793	-	215,793
Restricted	79,368	-	163,946	243,314
Total fund balance	79,368	215,793	163,946	459,107
Total liabilities and fund balances	\$ 327,136	\$ 276,543	\$ 174,792	\$ 778,471

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

Washington County, Florida
Sheriff
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds

	Major Funds			Total
	General	Emergency Medical Services Fund	Inmate Welfare Fund	Governmental Funds
	Fund			
<i>For the year ended September 30, 2020</i>				
Revenues				
Intergovernmental	\$ 345,000	\$ -	\$ -	\$ 345,000
Charges for services	422,009	1,403,343	169,271	1,994,623
Grants	131,634	-	-	131,634
Investment earnings	-	-	298	298
Other fees and miscellaneous revenues	67,064	-	2,552	69,616
Total revenues	965,707	1,403,343	172,121	2,541,171
Expenditures				
Current				
Public safety and health	5,329,924	1,950,149	62,106	7,342,179
Capital outlay	301,056	6,042	46,533	353,631
Debt service				
Principal	-	23,360	-	23,360
Interest	-	1,673	-	1,673
Total expenditures	5,630,980	1,981,224	108,639	7,720,843
Excess (deficiency) of revenues over (under) expenditures	(4,665,273)	(577,881)	63,482	(5,179,672)
Other financing sources (uses)				
Transfers in	4,703,681	626,096	-	5,329,777
Transfers out	(1,933)	(14,903)	(9,169)	(26,005)
Net other financing sources (uses)	4,701,748	611,193	(9,169)	5,303,772
Net change in fund balances	36,475	33,312	54,313	124,100
Fund balances - beginning	42,893	182,481	109,633	335,007
Fund balance - ending	\$ 79,368	\$ 215,793	\$ 163,946	\$ 459,107

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

Washington County, Florida
Sheriff
Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
General Fund

<i>For the year ended September 30, 2020</i>	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 345,000	\$ 345,000	\$ 345,000	\$ -
Charges for services	-	-	422,009	422,009
Grants	77,090	77,090	131,634	54,544
Other fees and miscellaneous revenues	175,433	217,005	67,064	(149,941)
Total revenues	597,523	639,095	965,707	326,612
Expenditures				
Current:				
Public safety and health	5,220,716	5,666,036	5,329,924	336,112
Capital outlay	-	-	301,056	(301,056)
Total expenditures	5,220,716	5,666,036	5,630,980	35,056
Excess (deficiency) of revenues over (under) expenditures	(4,623,193)	(5,026,941)	(4,665,273)	361,668
Other financing sources (uses)				
Transfers in	4,623,193	5,026,941	4,703,681	(323,260)
Transfers out	-	-	(1,933)	(1,933)
Total other financing sources	4,623,193	5,026,941	4,701,748	(325,193)
Net change in fund balance	\$ -	\$ -	\$ 36,475	\$ 36,475

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

Washington County, Florida
Sheriff
Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
Emergency Medical Services Fund

<i>For the year ended September 30, 2020</i>	Original Budget	Final Budget	Actual Amounts on a Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Charges for services	\$ 1,043,716	\$ 1,043,716	\$ 1,403,343	\$ 359,627
Total revenues	1,043,716	1,043,716	1,403,343	359,627
Expenditures				
Current:				
Public safety and health	1,669,812	1,669,812	1,609,783	60,029
Capital outlay	-	-	6,042	(6,042)
Debt service				
Principal	-	-	23,360	(23,360)
Interest	-	-	1,673	(1,673)
Total expenditures	1,669,812	1,669,812	1,640,858	28,954
Excess (deficiency) of revenues over (under) expenditures	(626,096)	(626,096)	(237,515)	388,581
Other financing sources (uses)				
Transfers in	626,096	626,096	626,096	-
Proceeds from long term debt	-	-	-	-
Transfers out	-	-	(14,903)	(14,903)
Total other financing sources	626,096	626,096	611,193	(14,903)
Net change in fund balance	\$ -	\$ -	\$ 373,678	\$ 373,678

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

Washington County, Florida
Sheriff
Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
Inmate Welfare Fund

<i>For the year ended September 30, 2020</i>	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Charges for services	\$ 130,000	\$ 130,000	\$ 169,271	\$ 39,271
Investment earnings	-	-	298	298
Other fees and miscellaneous revenues	-	-	2,552	2,552
Total revenues	130,000	130,000	172,121	42,121
Expenditures				
Current:				
Public safety and health	120,800	120,800	62,106	58,694
Capital outlay	-	-	46,533	(46,533)
Total expenditures	120,800	120,800	108,639	12,161
Excess (deficiency) of revenues over (under) expenditures	9,200	9,200	63,482	54,282
Other financing sources (uses)				
Transfers out	(9,200)	(9,200)	(9,169)	31
Total other financing sources	(9,200)	(9,200)	(9,169)	31
Net change in fund balance	\$ -	\$ -	\$ 54,313	\$ 54,313

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

Washington County, Florida
 Sheriff
 Statement of Fiduciary Net Position
 Agency Funds

<i>September 30, 2020</i>	Agency Funds
Assets	
Cash	\$ 49,588
Total assets	\$ 49,588
Liabilities	
Due to others	\$ 49,588
Total liabilities	\$ 49,588

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

Washington County, Florida
Sheriff
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

The Washington County Sheriff's office is an agency of Washington County, which is a political subdivision of the State of Florida. The County was established on December 29, 1825, by the Territorial Legislative Council. Washington County is governed by an elected Board of County Commissioners ("Board"), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Washington County Sheriff's Office.

The Washington County, Florida Sheriff (the "Sheriff") is a separately elected County official established pursuant to the Constitution of the State of Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Washington County, Florida taken as a whole.

Entity status for financial reporting is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Sheriff's office is operationally autonomous from the Board of County Commissioners ("the Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as part of the primary government of Washington County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Washington County, Florida taken as a whole. As permitted by Chapter 10.556(4), *Rules of the Auditor General* State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Sheriff.

The operations of the Sheriff are primarily funded by the Board. The receipts from the Board are recorded as other financing sources on the Sheriff's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

Washington County, Florida
Sheriff
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The Sheriff'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 Sheriff has not presented reconciliations to 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 each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Washington County, Florida, that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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.

In preparing these financial statements the following are reported as major governmental funds:

General Fund - The General Fund is used to account for all revenue and expenditures applicable to the general operations of the Sheriff that are not required either legally or by generally accepted accounting principles to be accounted for in another fund.

Emergency Medical Services Fund (EMS) – The EMS fund is used to account for all revenue and expenditures applicable to the operations of the County's ambulance service.

Inmate Welfare Fund - Accounts for the activities related to operation of the inmate commissary.

The Sheriff also reported the following fund type:

Agency Funds - The agency funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature and do not involve measurement of changes in financial position.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

Basis of Accounting

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

The fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

When both restricted and unrestricted resources are available for use, it is the Sheriff’s policy to use restricted resources first, then unrestricted resources as needed.

Cash and Cash Equivalents

Cash includes amounts in demand deposits as well as short term investments with a maturity date within three months of the date acquired by the government.

Receivables

Receivables are shown at their net realizable value. See Note 10 for allowance for doubtful accounts.

Capital Assets and Depreciation

Tangible personal property is recorded as expenditures in the governmental fund types at the time an asset is acquired. Assets acquired by the Sheriff are capitalized at cost in the capital asset accounts of the County. The Sheriff’s assets are reported in the statement of net assets in the County’s financial statements. The Sheriff maintains custodial responsibility for the capital assets used by his office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, equipment, and building improvements 3-39 years

Washington County, Florida
Sheriff
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accumulated Compensated Absences

Permanent full-time employees of the Sheriff are entitled to earn vacation and sick time depending on the length of employment. Upon separation of employment, employees can be paid up to 240 hours vacation time and a portion of unused sick time, with the payment of unused sick time being subject to various criteria.

The Sheriff's accumulated compensated absences are reported in the statement of net position in the County's financial statements.

Budgetary Requirements

Florida Statutes, Chapter 30.49 and 129.03(2), details the preparation, adoption and administration of the Sheriff's annual budget. The Sheriff establishes an annual balanced budget for his office which displays the revenues available to the office and the functions for which the money is to be expended. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

The Sheriff's annual budgets are monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year end.

The actual results of operations in the Statements of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual – Emergency Medical Services are presented on a budgetary basis for budgetary accounting purposes. The Sheriff does not budget for bad debt expense. Adjustments to convert the results of operation of the emergency medical service fund at the end of the year from budgetary basis of accounting to the GAAP basis of accounting are as follows:

	Total Expenditures
GAAP basis	\$ 1,981,224
Non-budgeted expenditures:	
Bad debt expense	(340,366)
Budgetary basis	\$ 1,640,858

Due to Others

This account is used to account for assets held by the Sheriff in a trustee capacity for other governmental agencies or individuals.

Washington County, Florida
Sheriff
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risk Management and Insurance

The Sheriff participates in the Florida Sheriff Self-Insurance Fund, which is considered a public entity risk pool which purchases insurance policies on behalf of its members. The pool's members are not obligated for risk associated with such coverage. Coverage under these programs includes:

General Liability
Automobiles
Money and Securities Coverage

The Sheriff provides for workers' compensation coverage through the Board.

In addition, the Sheriff participates in the Florida Self-Insurance Fund for risks related to professional liability and public officials' coverage. The funding agreement provides that the liability fund will be self-sustaining through member premiums and that it will reinsure through commercial companies. Aggregate coverage provided by the liability fund is \$3,500,000 for professional liability and \$3,500,000 for public officials' coverage.

Management Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from estimates.

Fund Balance Reporting and Governmental Fund-Type Definitions

The Sheriff adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54) effective October 1, 2010. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See Note 9.

Subsequent Events

The Sheriff has evaluated subsequent events through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued, June 16, 2021, and determined there were no events that occurred that required disclosure.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impact of Recently Issued Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83 (GASB 83), *Certain Asset Retirement Obligations*. GASB 83 establishes standards of accounting and financial reporting requirements for legally enforceable liabilities associated with the retirement of certain tangible capital assets. State and local governments that have legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the regulation of GASB 83. The requirements of GASB 83 are effective for reporting periods beginning after June 15, 2019. GASB 83 had no impact on the Sheriff's financial statements.

In March 2018, the GASB issued Statement No. 88 (GASB 88), *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB 88 requires that additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, GASB 88 also requires that existing and additional information be provided for direct borrowings and direct placement of debt separately from other debt.

In May 2020, the GASB issued Statement No. 95 (GASB 95), *Postponement of the Effective Date of Certain Authoritative Guidance*. GASB 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. GASB 95 had no impact on the Sheriff's financial statements.

Pronouncements Issued But Not Yet Effective

In January 2017, the GASB issued Statement No. 84 (GASB 84), *Fiduciary Activities*. GASB 84 establishes specific criteria for identifying fiduciary activities and the requirements for financial statement reporting. The focus of the criteria is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. GASB 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. In addition, recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred which compels the government to disburse fiduciary resources should also be reported. GASB 84 will be effective for the fiscal years beginning after December 15, 2019.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (Continued)

In June 2017, the GASB issued Statement No. 87 (GASB 87), *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of GASB 87 are effective for reporting periods beginning after June 15, 2021.

In June 2018, the GASB issued Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of GASB 89 are effective for reporting periods beginning after December 15, 2020.

In August 2018, the GASB issued Statement No. 90 (GASB 90), *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of GASB 90 are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of GASB 90 are effective for reporting periods beginning after December 15, 2019. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The primary objectives of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (Continued)

achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of GASB 91 are effective for reporting periods beginning after December 15, 2021.

In January 2020, the GASB issued Statement No. 92 (GASB 92), *Omnibus 2020*. The objectives of GASB 92 are to enhance the comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of GASB 92 are effective for reporting periods beginning after June 15, 2021.

In March 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The purpose of GASB 93 is to address accounting and financial reporting implications that result from the replacement of interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). GASB 93 achieves this objective by (1) providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, (2) clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, (3) clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable, (4) removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, (5) identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of the interest rate swap, and (6) clarifying the definition of reference rate, as it is used in Statement 53, as amended. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021.

In March 2020, the GASB issued Statement No. 94 (GASB 94), *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of GASB 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in GASB 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in GASB 94 as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (Continued)

provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in GASB 94, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB 94 is effective for fiscal years beginning after June 15, 2022.

In May 2020, the GASB issued Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB 96 is effective for fiscal years beginning after June 15, 2022.

In June 2020, the GASB issued statement No. 97 (GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of GASB 97 are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements for GASB 97 are effective for reporting periods beginning after June 15, 2021.

Note 2: DEPOSITS AND INVESTMENTS

At September 30, 2020, the carrying amount of the Sheriff's cash and cash equivalents and restricted cash was \$506,806 and the bank balance was \$896,142. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the

Note 2: DEPOSITS AND INVESTMENTS (Continued)

provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the Sheriff to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Sheriff to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

CREDIT RISK

At September 30, 2020, the Sheriff did not hold any deposits or investments that were considered to have credit risk.

INTEREST RATE RISK

At September 30, 2020, the Sheriff did not hold any investments that were considered to have interest rate risk.

CUSTODIAL CREDIT RISK

At September 30, 2020, the Sheriff did not hold any deposits or investments that were considered to have custodial credit risk.

CONCENTRATION OF CREDIT RISK

At September 30, 2020, the Sheriff did not hold any investments that were considered to have concentration of credit risk.

Note 3: DUE FROM OTHER GOVERNMENTS

Due from other governments at September 30, 2020 consisted of amounts due from State of Florida for inmate housing in addition to other miscellaneous revenues earned but not received as of September 30, 2020.

Note 4: EMPLOYEE PENSION PLAN

The Sheriff participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

Washington County, Florida
Sheriff
Notes to Financial Statements

Note 4: EMPLOYEE PENSION PLAN (Continued)

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost-of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers and employees pay contributions at rates determined each year by the legislature. The employer rates, as a percentage of gross earnings, are as follows:

	10/01/19 Through 06/30/20	07/01/20 Through 09/30/20
Regular employees	8.47%	10.0%
Senior management	25.41%	27.29%
Special risk employees	24.48%	24.45%
DROP participants	16.60%	16.98%
Elected county officials' class	48.82%	49.18%

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. For the period October 1, 2019 through September 30, 2020, the total payroll for all employees was \$4,090,773. The retirement contributions for all employees covered by the System for the years ended September 30, 2020, 2019 and 2018 were \$939,444, \$908,196 and \$766,977 which were the required contributions. For the year ended September 30, 2020 retirement contributions represented 22.96% of covered payroll.

The Sheriff has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publically available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, P.O. Box 9000, Tallahassee, FL 32315-9000 or at the Division's website at dms.myflorida.com.

Note 4: EMPLOYEE PENSION PLAN (Continued)

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Washington County Sheriff's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change.

Note 5: EXCESS REVENUE

Pursuant to Section 218.36(2), Florida Statutes, each County Officer shall pay into the county general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145. Excess revenues over expenditures returned to the Board of County Commissioners as required by Florida Statutes are accrued and reported as a transfer out. The Sheriff's general fund had excess budget appropriations totaling \$1,933 at year end.

Washington County, Florida
Sheriff
Notes to Financial Statements

Note 6: INTERFUND TRANSFERS

Interfund transfers at September 30, 2020, consisted of the following:

Transfers to General Fund from:

Emergency Management	\$ 14,903
Inmate Welfare	9,169

Total interfund transfers	\$ 24,072
---------------------------	-----------

The Sheriff's transfers include transfers to (a) other funds based on budgetary requirements and (b) funds that are required by statute or budgetary authority to expend revenues from another fund that by statute or budgetary authority must collect revenues.

Note 7: GRANTS

The Sheriff participates in several state and federal grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2020, as well as prior years, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the Sheriff's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the Sheriff expects such amounts, if any, to be immaterial.

Note 8: LITIGATION AND CONTINGENT LIABILITIES

The Sheriff 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 Sheriff's financial position.

Note 9: FUND EQUITY

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Sheriff had no non-spendable net assets at September 30, 2020.

Spendable fund balances are classified based on a hierarchy of the Sheriff's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. For the year ended September 30, 2020, the Sheriff reports net assets as restricted for the purpose of drug enforcement. Restricted net assets have externally imposed constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Washington County, Florida
Sheriff
Notes to Financial Statements

Note 9: FUND EQUITY (Continued)

Assigned net assets have constraints placed on the use of resources by the Sheriff's intent to use the resources for specific purposes. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund.

Components of restricted fund balance at September 30, 2020 are as follows:

	General Fund		Inmate Welfare Fund		Total
Restricted for:					
Education and crime prevention	\$	79,368	\$	-	\$ 79,368
Crime prevention		-		163,946	163,946
Total fund balances	\$	79,368	\$	163,946	\$ 243,314

Note 10: ACCOUNTS RECEIVABLE

Accounts receivable of the EMS are accounted for in a special revenue fund. Accounts receivable in the EMS total \$550,802 and are shown net of allowance for doubtful accounts and contractual adjustments totaling \$394,491. This allowance represents an uncollected billing ratio based on past history of collections and aged accounts receivable listings.

Note 11: POST EMPLOYMENT BENEFITS OTHER THAN PENSION

In addition to the retirement plan in Note 4, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Sheriff are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government wide financial statements.

Note 12: UNCERTAINTIES

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 Sheriff. 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.

The page features a decorative design with horizontal bars at the top and bottom. The top bar is split into a dark blue segment on the left and a lighter blue segment on the right. The bottom bar is also split, with a lighter blue segment on the left and a dark blue segment on the right. The central area of the page has a yellow background with abstract, overlapping geometric shapes in shades of orange and yellow on the left side.

COMPLIANCE SECTION

**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***

Honorable Kevin Crews
Sheriff
Washington 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 Washington County, Florida, Sheriff (the "Sheriff") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated June 16, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff'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 were not 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 identify a certain deficiency in internal control, described below as finding No. SH2003-001 that we consider to be a significant deficiency.

Honorable Kevin Crews
Sheriff
Washington County, Florida

PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Need for Segregation of Duties, SH2003-001

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of Sheriff's assets.

CAUSE: The Sheriff has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Sheriff's administrative staff, it is difficult to achieve ideal separation of duties. However, the Sheriff should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

STATUS: This condition continues to exist.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff'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*.

Sheriff's Response to Findings

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

Honorable Kevin Crews
Sheriff
Washington County, Florida

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 Sheriff'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.

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

Marianna, Florida
June 16, 2021



Carr, Riggs & Ingram, LLC
4267 Lafayette Street
Marianna, FL 32446

Mailing Address:
P.O. Box 1606
Marianna, FL 32447

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION
218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES***

(850) 526-3207
(850) 526-5322 (fax)
www.cricpa.com

Honorable Kevin Crews
Sheriff
Washington County, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Sheriff 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

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

This report is intended solely for the information and use of 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

Marianna, Florida
June 16, 2021

INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Kevin Crews
Sheriff
Washington County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Washington County, Florida, Sheriff (the "Sheriff"), as of and for the year ended September 30, 2020, and have issued our report thereon dated June 16, 2021.

Auditors' Responsibility

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

Other Reports Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; 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 June 16, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Finding SH2003-001 found in the Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* have not been corrected.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Washington County, Florida, Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Washington County, Florida Sheriff.

Honorable Kevin Crews
Sheriff
Washington County, Florida

Financial Condition and Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had no 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 have 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, and the Washington County, Florida Sheriff and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

Marianna, Florida
June 16, 2021

Washington County, Florida
Sheriff
Management's Response



KEVIN CREWS, Sheriff WASHINGTON COUNTY

711 THIRD STREET • P.O. BOX 626 • CHIPLEY, FLORIDA 32428
PHONE (850) 638-6111 • FAX (850) 638-6184 • www.wcso.us

June 24, 2021

Florida Auditor General
111 W Madison St. #G74
Tallahassee, FL 32399

Dear Sirs/Madam:

Please accept this letter in response to the Independent Auditor's Report to management included in the audit report for the Washington County Sheriff's Office for the fiscal year September 30, 2020.

Due to the size of the office and the daily workload we are limited in personnel to currently assist in the duties of the finance department, however, we will continue to monitor the responsibilities of the Finance Clerks to ensure that all procedures are adhered to. This condition is being corrected.

Should further information be required please contact me at (850) 638-6124.

Sincerely,

A handwritten signature in green ink, appearing to read "Kevin Crews".

Kevin Crews
Sheriff, Washington County

**Washington County, Florida
Property Appraiser**

Financial Statements

September 30, 2020



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

Washington County, Florida
Property Appraiser
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September 30, 2020

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REPORT





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INDEPENDENT AUDITORS' REPORT

Honorable Gil Carter
Property Appraiser
Washington County, Florida

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express 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 Property Appraiser'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.

Honorable Gil Carter
Property Appraiser
Washington County, Florida

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 Property Appraiser as of September 30, 2020, and the respective changes in financial position, where applicable, and the respective budgetary comparison for the General Fund 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 the major fund, only for that portion of the major fund, of Washington County, Florida, that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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 opinion is not modified with respect to these matters.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2021 on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

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

Marianna, Florida
February 1, 2021



FINANCIAL STATEMENTS



Washington County, Florida
Property Appraiser
Balance Sheet
Governmental Funds

<i>September 30, 2020</i>	General Fund
Assets	
Cash	\$ 45,002
Total assets	\$ 45,002
Liabilities	
Accounts payable and accrued expenses	\$ 13,072
Due to Board of County Commissioners	31,930
Total liabilities	45,002
Fund balance	-
Total liabilities and fund balance	\$ 45,002

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

Washington County, Florida
Property Appraiser
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Governmental Funds

<i>For the year ended September 30, 2020</i>	General Fund
Revenues	
Charges for services	\$ 717
Other fees and miscellaneous revenues	12
Total revenues	729
Expenditures	
Current	
General government	521,202
Total expenditures	521,202
Excess (deficiency) of revenues over (under) expenditures	(520,473)
Other financing sources (uses)	
Transfers in	552,403
Transfers out	(31,930)
Net other financing sources (uses)	520,473
Net change in fund balance	-
Fund balance - beginning	-
Fund balance - ending	\$ -

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

Washington County, Florida
Property Appraiser
Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
General Fund

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget - Favorable (Unfavorable)
<i>For the year ended September 30, 2020</i>				
Revenues				
Charges for services	\$ -	\$ -	\$ 717	\$ 717
Other fees and miscellaneous revenues	-	-	12	12
Total revenues	-	-	729	729
Expenditures				
Current				
General government	532,216	541,703	521,202	20,501
Capital outlay	3,000	3,000	-	3,000
Reserve for contingencies	7,700	7,700	-	7,700
Total expenditures	542,916	552,403	521,202	31,201
Excess (deficiency) of revenues over (under) expenditures	(542,916)	(552,403)	(520,473)	31,930
Other financing sources (uses)				
Transfers in	542,916	552,403	552,403	-
Transfers out	-	-	(31,930)	(31,930)
Net other financing sources (uses)	542,916	552,403	520,473	(31,930)
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

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

Washington County, Florida
Property Appraiser
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

The Washington County Property Appraiser's office is an agency of Washington County, which is a political subdivision of the State of Florida. The County was established on December 29, 1825, by the Territorial Legislative Council. Washington County is governed by an elected Board of County Commissioners ("Board"), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Washington County Property Appraiser's Office.

The Washington County, Florida Property Appraiser (the "Property Appraiser") is a separately elected County official established pursuant to the Constitution of the State of Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Washington County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Property Appraiser's office is operationally autonomous from the Board of County Commissioners (The "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as part of the primary government of Washington County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Washington County, Florida taken as a whole. As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Property Appraiser.

The operations of the Property Appraiser are funded by the Board. The receipts from the Board are recorded as other financing sources on the Property Appraiser's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year end.

Washington County, Florida
Property Appraiser
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The Property Appraiser'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 Property Appraiser 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 the major fund, only for that portion of the major fund, of Washington County, Florida, that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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.

In preparing these financial statements, the following is reported as a major governmental fund:

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

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Washington County, Florida
Property Appraiser
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting refers to the point at which revenues and expenditures are recognized in the accounts and reported in the general fund financial statements and refers to the timing of the measurements made, regardless of the measurement focus applied.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

When both restricted and unrestricted resources are available for use, it is the Property Appraiser's policy to use restricted resources first, then unrestricted resources as needed.

Cash and Cash Equivalents

Cash includes amounts in demand deposits as well as short term investments with a maturity date within three months of the date acquired by the government.

Capital Assets and Depreciation

Tangible personal property is recorded as expenditures in the governmental fund at the time an asset is acquired. Assets acquired by the Property Appraiser are capitalized at cost in the capital asset accounts of the County. The Property Appraiser's assets are reported in the statement of net assets in the County's financial statements. The Property Appraiser maintains custodial responsibility for the capital assets used by his office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-30 years
-------------------------------------	------------

Accumulated Compensated Absences

A liability exists for accrued annual and sick leave, which will be taken by employees. The Property Appraiser does not pay employees for unused sick leave upon termination. Vacation time is earned depending on the length of employment and up to 240 hours may be carried forward to future years.

The Property Appraiser's accumulated compensated absences are reported in the statement of net position in the County's financial statements.

Washington County, Florida
Property Appraiser
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Requirements

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in Florida Statutes Chapter 195.087. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments, approved by the Florida Department of Revenue and Board of County Commissioners. On or before June 1 of each year, the Property Appraiser shall submit to the Department of Revenue a budget for the operation of his office for the ensuing fiscal year. The Department of Revenue and Board of County Commissioners must approve the final budget.

Risk Management and Insurance

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

The Board obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees' Bond
- Workers' Compensation
- General and Automobile Liability

Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make use of estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from estimates.

Subsequent Events

The Property Appraiser has evaluated subsequent events through the date of the Independent Auditors' Report which is the date the financial statements were available to be issued February 1, 2021 and determined there were no events that occurred that required disclosure.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impact of Recently Issued Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83 (GASB 83), *Certain Asset Retirement Obligations*. GASB 83 establishes standards of accounting and financial reporting requirements for legally enforceable liabilities associated with the retirement of certain tangible capital assets. State and local governments that have legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the regulation of GASB 83. The requirements of GASB 83 are effective for reporting periods beginning after June 15, 2019. GASB 83 had no impact on the Property Appraiser's financial statements.

In March 2018, the GASB issued Statement No. 88 (GASB 88), *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB 88 requires that additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, GASB 88 also requires that existing and additional information be provided for direct borrowings and direct placement of debt separately from other debt. See Note 6 for additional disclosures related to the implementation of GASB 88.

In May 2020, the GASB issued Statement No. 95 (GASB 95), *Postponement of the Effective Date of Certain Authoritative Guidance*. GASB 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. GASB 95 had no impact on the Property Appraiser's financial statements.

Accounting Pronouncements Recently Issued But Not Yet Effective

In January 2017, the GASB issued Statement No. 84 (GASB 84), *Fiduciary Activities*. GASB 84 establishes specific criteria for identifying fiduciary activities and the requirements for financial statement reporting. The focus of the criteria is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. GASB 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. In addition, recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred which compels the government to disburse fiduciary resources should also be reported. GASB 84 will be effective for the fiscal years beginning after December 15, 2019.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Recently Issued But Not Yet Effective (continued)

In June 2017, the GASB issued Statement No. 87 (GASB 87), *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of GASB 87 are effective for reporting periods beginning after June 15, 2021.

In June 2018, the GASB issued Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of GASB 89 are effective for reporting periods beginning after December 15, 2020.

In August 2018, the GASB issued Statement No. 90 (GASB 90), *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of GASB 90 are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of GASB 90 are effective for reporting periods beginning after December 15, 2019. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Recently Issued But Not Yet Effective (continued)

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The primary objectives of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of GASB 91 are effective for reporting periods beginning after December 15, 2021.

In January 2020, the GASB issued Statement No. 92 (GASB 92), *Omnibus 2020*. The objectives of GASB 92 are to enhance the comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of GASB 92 are effective for reporting periods beginning after June 15, 2021.

In March 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The purpose of GASB 93 is to address accounting and financial reporting implications that result from the replacement of interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). GASB 93 achieves this objective by (1) providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, (2) clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, (3) clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable, (4) removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, (5) identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of the interest rate swap, and (6) clarifying the definition of reference rate, as it is used in Statement 53, as amended. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021.

In March 2020, the GASB issued Statement No. 94 (GASB 94), *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of GASB 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in GASB 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession

Washington County, Florida
Property Appraiser
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Recently Issued But Not Yet Effective (continued)

arrangement (SCA), which the Board defines in GASB 94 as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in GASB 94, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB 94 is effective for fiscal years beginning after June 15, 2022.

In May 2020, the GASB issued Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB 96 is effective for fiscal years beginning after June 15, 2022.

In June 2020, the GASB issued statement No. 97 (GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of GASB 97 are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements for GASB 97 are effective for reporting periods beginning after June 15, 2021.

Washington County, Florida
Property Appraiser
Notes to Financial Statements

Note 2: DEPOSITS AND INVESTMENTS

At September 30, 2020, the carrying amount of the Property Appraiser's cash and cash equivalents was \$45,002 and the bank balance was \$60,174. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the Property Appraiser to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Property Appraiser to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

CREDIT RISK

At September 30, 2020, the Property Appraiser did not hold any deposits or investments that were considered to have credit risk.

INTEREST RATE RISK

At September 30, 2020, the Property Appraiser did not hold any investments that were considered to have interest rate risk.

CUSTODIAL CREDIT RISK

At September 30, 2020, the Property Appraiser did not hold any deposits or investments that were considered to have custodial credit risk.

CONCENTRATION OF CREDIT RISK

At September 30, 2020, the Property Appraiser did not hold any investments that were considered to have concentration of credit risk.

Note 3: EMPLOYEES PENSION PLAN

The Property Appraiser participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

Washington County, Florida
Property Appraiser
Notes to Financial Statements

Note 3: EMPLOYEES PENSION PLAN (Continued)

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost-of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers and employees pay contributions at rates determined each year by the legislature. The employer rates, as a percentage of gross earnings, are as follows:

	10/01/19 Through 06/30/20	07/01/20 Through 09/30/20
Regular employees	8.47%	10.00%
Senior management	25.41%	27.29%
Elected county officials' class	48.82%	49.18%

Chapter 121, Florida Statutes established the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. For the year October 1, 2019 through September 30, 2020, total payroll for the Property Appraiser employees covered by the Florida Retirement System was \$365,378. The Property Appraiser's contribution to the plan for the years ended September 30, 2020, 2019, and 2018 was \$39,077, \$33,478, and \$43,461, respectively, which were the required contributions. For the year ended September 30, 2020 retirement contributions represent 10.69% of covered payroll.

The Property Appraiser has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publically available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, P.O. Box 9000, Tallahassee, FL 32315-9000 or at the Division's website at dms.myflorida.com.

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

Note 3: EMPLOYEES PENSION PLAN (Continued)

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Washington County Property Appraiser's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change.

Note 4: EXCESS REVENUE

Pursuant to Section 218.36(2), Florida Statutes, each County Officer shall pay into the county general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145. For the year ended September 30, 2020, excess revenues over expenditures of \$31,930 are accrued and reported as transfers out.

Note 5: LITIGATION AND CONTINGENT LIABILITIES

The Property Appraiser 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 Property Appraiser's financial position.

Note 6: POST EMPLOYMENT BENEFITS OTHER THAN PENSION

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Property Appraiser are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Note 7: UNCERTAINTIES

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 Sheriff. 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.



COMPLIANCE SECTION



**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***

Honorable Gil Carter
Property Appraiser
Washington 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 of the Washington County, Florida, Property Appraiser (the "Property Appraiser") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements and have issued our report thereon dated February 1, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not 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 identify a certain deficiency in internal control, described below as finding No. PA2003-003 that we consider to be a significant deficiency.

Honorable Gil Carter
Property Appraiser
Washington County, Florida

PRIOR YEAR FINDINGS AND RECOMMENDATION

Need for Segregation of Duties, PA2003-003

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of Property Appraiser's assets.

CAUSE: The Property Appraiser has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Property Appraiser's administrative staff, it is difficult to achieve ideal separation of duties. However, the Property Appraiser should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

STATUS: This condition continues to exist.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser'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*.

Property Appraiser's Response to Findings

The Property Appraiser's response to the findings identified in our audit is described in the accompanying letter. The Property Appraiser's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Honorable Gil Carter
Property Appraiser
Washington County, Florida

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 Property Appraiser'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.

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

Marianna, Florida
February 1, 2021



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**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION
218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES***

Honorable Gil Carter
Property Appraiser
Washington County, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Property Appraiser complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

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

This report is intended solely for the information and use of 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.

Marianna, Florida
February 1, 2021



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INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Gil Carter
Property Appraiser
Washington County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Washington County, Florida Property Appraiser (the "Property Appraiser"), as of and for the year ended September 30, 2020, and have issued our report thereon dated February 1, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 1, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Finding PA2003-003 found in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* has not been corrected.

Honorable Gil Carter
Property Appraiser
Washington County, Florida

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Washington County, Florida, Property Appraiser was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Washington County, Florida, Property Appraiser.

Financial Condition and Management

Section 10.554(1)(i)2, Rules of the Auditor General, requires that we communicate any recommendations that 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 have 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, and the Washington County Property Appraiser and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

Marianna, Florida
February 1, 2021

**Washington County, Florida
Property Appraiser
Management's Response**



Phone: (850) 638-6205
Fax: (850) 638-6027

**GIL CARTER, CFA
WASHINGTON COUNTY PROPERTY APPRAISER**

1331 South Blvd., Suite 300
P. O. Box 695
Chipley, FL 32428



Email: gil.carter@washcofl.com
Website: www.washcofl.com/pa

January 25, 2021

Carr, Riggs & Ingram
4267 Lafayette St
Marianna, FL 32446

To Whom It May Concern:

We are in receipt of the Washington County Property Appraiser's audit report for the fiscal year ended September 30, 2020. In response to the internal control and compliance the following applies:

Segregation of Duties – I will continue to remain active in the day-to-day operations of the Property Appraiser's Office. This is a small office with employees who have overlapping duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on a monthly basis.

If I can be of further assistance, please contact me at 850-638-6205.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gil Carter".

Gil Carter, CFA
Washington County Property Appraiser

**Washington County, Florida
Supervisor of Elections**

Financial Statements

September 30, 2020



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Washington County, Florida
Supervisor of Elections
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September 30, 2020

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REPORT



INDEPENDENT AUDITORS' REPORT

Honorable Carol Finch Rudd
Supervisor of Elections
Washington County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the office of the Washington County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' 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 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 Supervisor of Elections' 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.

Honorable Carol Finch Rudd
Supervisor of Elections
Washington County, Florida

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 Supervisor of Elections as of September 30, 2020, and the respective changes in financial position, where applicable, and the respective budgetary comparison for the General Fund 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 the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Washington County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 22, 2021 on our consideration of the Supervisor of Elections' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.

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

Marianna, Florida
June 22, 2021



FINANCIAL STATEMENTS



**Washington County, Florida
Supervisor of Elections
Balance Sheet
Governmental Funds**

<i>September 30, 2020</i>	General Fund
Assets	
Cash	\$ 8,549
Due from Board of County Commissioners	30,284
Total assets	\$ 38,833
Liabilities	
Accounts payable and accrued expenses	\$ 38,214
Unearned revenue	619
Total liabilities	38,833
Fund balance	
Restricted	-
Total liabilities and fund balance	\$ 38,833

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

Washington County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Governmental Funds

<i>For the year ended September 30, 2020</i>	General Fund
Revenues	
Grants	\$ 49,697
Total revenues	49,697
Expenditures	
Current	
General government	503,280
Debt service	
Principal	31,943
Interest	8,643
Total expenditures	543,866
Excess (deficiency) of revenues over (under) expenditures	(494,169)
Other financing sources	
Transfers in	511,057
Net other financing sources	494,169
Net change in fund balances	-
Fund balance - beginning	-
Fund balance - ending	\$ -

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

Washington County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
General Fund

<i>For the year ended September 30, 2020</i>	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Fund Budget Favorable (Unfavorable)
Revenues				
Grants	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current				
General government	441,174	441,174	453,583	(12,409)
Debt Service				
Principal	-	-	31,943	(31,943)
Interest	-	-	8,643	(8,643)
Total expenditures	441,174	441,174	494,169	(52,995)
Deficiency of revenues under expenditures	(441,174)	(441,174)	(494,169)	(52,995)
Other financing sources (uses)				
Transfers in	441,174	441,174	511,057	69,883
Transfers out	-	-	(16,888)	(16,888)
Net other financing sources (uses)	441,174	441,174	494,169	52,995
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

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

Washington County, Florida
Supervisor of Elections
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

The Washington County Supervisor of Elections' office is an agency of Washington County, which is a political subdivision of the State of Florida. The County was established on December 29, 1825, by the Territorial Legislative Council. Washington County is governed by an elected Board of County Commissioners ("Board"), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Washington County Supervisor of Elections Office.

The Washington County, Florida Supervisor of Elections (the "Supervisor of Elections") is a separately elected County official established pursuant to the Constitution of the State of Florida. The Supervisor of Elections' financial statements do not purport to reflect the financial position or the results of operations of Washington County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Supervisor of Elections' office is operationally autonomous from the Board of County Commissioners ("the Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as part of the primary government of Washington County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Washington County, Florida taken as a whole. As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Supervisor of Elections.

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as other financing sources on the Supervisor of Elections' financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year end.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The Supervisor of Elections' 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 Supervisor of Elections' has not presented reconciliations to 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 each major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Washington County, Florida, that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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.

In preparing these financial statements, the following is reported as a major governmental fund:

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

In preparing these financial statements, the following is reported as a non-major governmental fund:

Grant Fund - Accounts for the grant funds received relating to ballot-on-demand.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Washington County, Florida
Supervisor of Elections
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

When both restricted and unrestricted resources are available for use, it is the Supervisor of Elections' policy to use restricted resources first, then unrestricted resources as needed.

Cash

Cash includes amounts in demand deposits as well as short term investments with a maturity date within three months of the date acquired by the government.

Capital Assets and Depreciation

Tangible personal property is recorded as expenditures in the governmental fund at the time an asset is acquired. Assets acquired by the Supervisor of Elections are capitalized at cost in the capital asset accounts of the County. The Supervisor of Elections assets are reported in the statement of net assets in the County's financial statements. The Supervisor of Elections maintains custodial responsibility for the capital assets used by her office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-5 years
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Accumulated Compensated Absences

The total accrued leave at September 30, 2020, of the Supervisor of Elections is not recorded as it is not material in relation to the financial statements taken as a whole.

Fund Balance Reporting and Governmental Fund-Type Definitions

The Supervisor of Elections adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54) effective October 1, 2010. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See Note 4.

Washington County, Florida
Supervisor of Elections
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Requirements

General governmental revenue and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is prepared by the Supervisor of Elections and adopted by the Board for the general fund.

The Supervisor of Elections' annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

The actual results of operations in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund are presented on a budgetary basis for budgetary accounting purposes. The Supervisor of Elections only budgeted revenue and expenditures appropriated by the Board of County Commissioners. Adjustments to convert the results of operation of the general fund at the end of the year from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

	Total Expenditures	Total Revenue
GAAP Basis	\$ 560,754	\$ 560,754
Non-budgeted revenues and expenditures:		
Revenues other than appropriations from the Board of County Commissioners and related expenditures	(49,697)	(49,697)
Budgetary basis	\$ 511,057	\$ 511,057

Risk Management and Insurance

The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and/or the public; or damage to property of others. The Supervisor of Elections participates in the risk management program through the Washington County Board of County Commissioners which uses commercial insurance to cover certain risks from loss.

The Board obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees' Bond
- Workers' Compensation
- General and Automobile Liability

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unearned Revenues

The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available, and in accordance with the modified accrual basis of accounting, are reported as unearned revenues.

Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make use of estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from estimates.

Subsequent Events

The Supervisor of Elections has evaluated subsequent events through the date of the Independent Auditors' Report which is the date the financial statements were available to be issued, June 22, 2021, and determined there were no events that occurred that required disclosure.

Impact of Recently Issued Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83 (GASB 83), *Certain Asset Retirement Obligations*. GASB 83 establishes standards of accounting and financial reporting requirements for legally enforceable liabilities associated with the retirement of certain tangible capital assets. State and local governments that have legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the regulation of GASB 83. The requirements of GASB 83 are effective for reporting periods beginning after June 15, 2019. GASB 83 had no impact on the Supervisor of Election's financial statements.

In March 2018, the GASB issued Statement No. 88 (GASB 88), *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB 88 requires that additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, GASB 88 also requires that existing and additional information be provided for direct borrowings and direct placement of debt separately from other debt. See Note 6 for additional disclosures related to the implementation of GASB 88.

Washington County, Florida
Supervisor of Elections
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impact of Recently Issued Accounting Pronouncements (continued)

In May 2020, the GASB issued Statement No. 95 (GASB 95), *Postponement of the Effective Date of Certain Authoritative Guidance*. GASB 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. GASB 95 had no impact on the Supervisor of Election's financial statements.

Pronouncements Issued But Not Yet Effective

In January 2017, the GASB issued Statement No. 84 (GASB 84), *Fiduciary Activities*. GASB 84 establishes specific criteria for identifying fiduciary activities and the requirements for financial statement reporting. The focus of the criteria is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. GASB 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. In addition, recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred which compels the government to disburse fiduciary resources should also be reported. GASB 84 will be effective for the fiscal years beginning after December 15, 2019.

In June 2017, the GASB issued Statement No. 87 (GASB 87), *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of GASB 87 are effective for reporting periods beginning after June 15, 2021.

In June 2018, the GASB issued Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of GASB 89 are effective for reporting periods beginning after December 15, 2020.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

In August 2018, the GASB issued Statement No. 90 (GASB 90), *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of GASB 90 are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of GASB 90 are effective for reporting periods beginning after December 15, 2019. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The primary objectives of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of GASB 91 are effective for reporting periods beginning after December 15, 2021.

In January 2020, the GASB issued Statement No. 92 (GASB 92), *Omnibus 2020*. The objectives of GASB 92 are to enhance the comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of GASB 92 are effective for reporting periods beginning after June 15, 2021.

In March 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The purpose of GASB 93 is to address accounting and financial reporting implications that result from the replacement of interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). GASB 93 achieves this objective by (1) providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, (2) clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, (3) clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

assessment of whether the occurrence of a hedged expected transaction is probably, (4) removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, (5) identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of the interest rate swap, and (6) clarifying the definition of reference rate, as it is used in Statement 53, as amended. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021.

In March 2020, the GASB issued Statement No. 94 (GASB 94), *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of GASB 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in GASB 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in GASB 94 as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in GASB 94, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB 94 is effective for fiscal years beginning after June 15, 2022.

In May 2020, the GASB issued Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB 96 is effective for fiscal years beginning after June 15, 2022.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

In June 2020, the GASB issued statement No. 97 (GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of GASB 97 are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements for GASB 97 are effective for reporting periods beginning after June 15, 2021.

Note 2: DEPOSITS AND INVESTMENTS

At September 30, 2020, the carrying amount of the Supervisor of Elections' cash and cash equivalents was \$8,549 and the bank balance was \$10,224. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Note 2: DEPOSITS AND INVESTMENTS (Continued)

Florida Statutes authorize the Supervisor of Elections to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Supervisor of Elections to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

CREDIT RISK

At September 30, 2020, the Supervisor of Elections did not hold any deposits or investments that were considered to have credit risk.

INTEREST RATE RISK

At September 30, 2020, the Supervisor of Elections did not hold any investments that were considered to have interest rate risk.

CUSTODIAL CREDIT RISK

At September 30, 2020, the Supervisor of Elections did not hold any deposits or investments that were considered to have custodial credit risk.

CONCENTRATION OF CREDIT RISK

At September 30, 2020, the Supervisor of Elections did not hold any investments that were considered to have concentration of credit risk.

Washington County, Florida
Supervisor of Elections
Notes to Financial Statements

Note 3: EMPLOYEES PENSION PLAN

The Supervisor of Election participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost-of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that both the employer and employee pay contributions at rates determined each year by the legislature. The employer rates, as a percentage of gross earnings, are as follows:

	10/1/2019 Through 6/30/2020	7/1/2020 Through 9/30/2020
Regular employees	8.47%	10.00%
Elected county officials	48.82%	49.18%

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. For the year October 1, 2019 through September 30, 2020, the total payroll for all covered employees was \$200,322. The Supervisor of Elections' contribution to the plan for the years ended September 30, 2020, 2019 and 2018 were \$56,692, \$57,222 and \$48,008. The contributions for the current year represented 28.30% of covered payroll.

Note 3: EMPLOYEES PENSION PLAN (Continued)

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Washington County Supervisor of Election's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change.

Note 4: FUND EQUITY

Non-spendable fund balances include amounts that cannot be spent because they are not in dependable form or are legally or contractually required to be maintained intact. The Supervisor of Elections had no non-spendable net assets at September 30, 2020.

Spendable fund balances are classified based on a hierarchy of the Supervisor of Election's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. For the year ended September 30, 2020, the Supervisor reports net assets as restricted. Restricted net assets have externally imposed constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund.

Note 5: GRANTS

The Supervisor of Elections participates in several state and federal grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2020, as well as prior years, have not been yet been accepted/approved by the grantors. Accordingly, the final determination of the Supervisor or Elections' compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the Supervisor of Elections expects such amounts, if any, to be immaterial.

Note 6: POST EMPLOYMENT BENEFITS OTHER THAN PENSION

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Supervisor of Elections are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government wide financial statements.

Note 7: BUDGET

The Supervisor of Elections had expenditures that were in excess of the budgeted amount in the following fund:

Fund	Amount
General Fund	\$ 69,883

This is a technical violation of Florida Statutes, Chapter 129.



COMPLIANCE SECTION



**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**

Honorable Carol Finch Rudd
Supervisor of Elections
Washington 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 Washington County, Florida, Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements and have issued our report thereon dated June 22, 2021.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Supervisor of Election'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 were not 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 identify a certain deficiencies in internal control, described below as findings SUPERVISOR OF ELECTION 2019-001 and SUPERVISOR OF ELECTION 2003-003 that we consider to be significant deficiencies.

Honorable Carol Finch Rudd
Supervisor of Elections
Washington County, Florida

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Financial Reporting, SUPERVISOR OF ELECTION 2019-001

CRITERIA: Internal control activities and procedures should be structured and monitored to provide accurate financial reporting.

CONDITION: Existing control activities and procedures did not detect errors in various account balances.

CAUSE: Accounting staff did not detect errors in the financial reports or individual account balances.

EFFECT: Various accounts including fund balance, deferred revenue, and related income and expenses were materially incorrect.

RECOMMENDATION: We recommend that all balance sheet accounts and related expenses be reviewed and reconciled to supporting documentation.

STATUS: This condition continues to exist and has not been corrected. This resulted in over spending of budgeted amounts for 2020.

PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Need for Segregation of Duties, SUPERVISOR OF ELECTION 2003-003

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of Supervisor of Elections' assets.

CAUSE: The Supervisor of Elections has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Supervisor of Elections' administrative staff, it is difficult to achieve ideal separation of duties. However, the Supervisor of Elections should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

STATUS: This condition continues to exist.

Honorable Carol Finch Rudd
Supervisor of Elections
Washington County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Election'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*.

Supervisor of Elections' Response to Finding

The Supervisor of Elections' response to the finding identified in our audit is described in the accompanying letter. The Supervisor of Elections' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor of Elections' 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.

Cam, Riggs & Ingram, L.L.C.

Marianna, Florida
June 22, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION
218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES***

Honorable Carol Finch Rudd
Supervisor of Elections
Washington County, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

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

This report is intended solely for the information and use of 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.

Marianna, Florida
June 22, 2021

INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Carol Finch Rudd
Supervisor of Elections
Washington County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Washington County, Florida Supervisor of Elections (the "Supervisor of Elections"), as of and for the year ended September 30, 2020, and have issued our report thereon dated June 22, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 22, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Finding SUPERVISOR OF ELECTION 2019-001 and 2003-003 found in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* has not been corrected.

Honorable Carol Finch Rudd
Supervisor of Elections
Washington County, Florida

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Washington County, Florida, Supervisor of Elections was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Washington County, Florida, Supervisor of Elections.

Financial Condition and Management

Section 10.554(1)(i)2, Rules of the Auditor General, requires that we communicate any recommendations that 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 have 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, and the Washington County Supervisor of Elections and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carly Riggs & Ingram, L.L.C.

Marianna, Florida
June 22, 2021

**Washington County, Florida
Supervisor of Elections
Management's Response**



Carol Finch Rudd
Supervisor of Elections
Washington County

Mailing Address:
1331 South Blvd., Suite 900
Chipley, FL 32428

Telephone No.
850-638-6230

Fax No.
850-638-6238

To Whom It May Concern:

Subject: Washington County, Florida Supervisor of Elections – Management's Response

We are in receipt of the audit report for the Washington County Supervisor of Elections office for fiscal year ending September 2020. I have reviewed the letter regarding compliance and internal control the schedule of findings and questioned costs and the management letter. Concerning items noted, the following applied;

This is a small office with employees who have overlapping job duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on a monthly basis. We continue to work with a CPA from Leslie Tucker's firm with any questions or concerns. This has proven to be very helpful and we will continue to rely on their services to ensure properly maintained records.

If I may be of further service, please do not hesitate to contact our office.

Sincerely,

A handwritten signature in black ink that reads "Carol F. Rudd". The signature is written in a cursive, flowing style.

Carol Rudd, MFCEP
Supervisor of Elections
Washington Co., FL

**Washington County, Florida
Tax Collector**

Financial Statements

September 30, 2020



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CPAs and Advisors

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Washington County, Florida
Tax Collector
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September 30, 2020

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REPORT

INDEPENDENT AUDITORS' REPORT

Honorable Ken Naker
Tax Collector
Washington 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 Washington County, Florida, Tax Collector (the "Tax Collector") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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.

Honorable Ken Naker
Tax Collector
Washington County, Florida

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 aggregate remaining fund information of the Tax Collector as of September 30, 2020, and the respective changes in financial position, where applicable, and the respective budgetary comparison for the General Fund 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 the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Washington County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Collector's financial statements. The Combining Statement of Fiduciary Net Position – Agency Funds is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Combining Statement of Fiduciary Net Position – Agency Funds 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 Combining Statement of Fiduciary Net Position – Agency Funds is fairly stated in all material respects in relation to the financial statements as a whole.

Honorable Ken Naker
Tax Collector
Washington County, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2021, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Tax Collector'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 Tax Collector's internal control over financial reporting and compliance.

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

Marianna, Florida
May 24, 2021



FINANCIAL STATEMENTS



Washington County, Florida
Tax Collector
Balance Sheet
Governmental Funds

<i>September 30, 2020</i>	General Fund
Assets	
Cash and cash equivalents	\$ 14,839
Other receivables	1,884
Total assets	\$ 16,723
Liabilities	
Due to Board of County Commissioners	\$ 16,723
Total liabilities	16,723
Fund balance	-
Total liabilities and fund balance	\$ 16,723

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

Washington County, Florida
Tax Collector
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds

<i>For the year ended September 30, 2020</i>	General Fund
Revenues	
Charges for services	\$ 671,733
Total revenues	671,733
Expenditures	
Current	
General government	739,661
Total expenditures	739,661
Excess (deficiency) of revenues over (under) expenditures	(67,928)
Other financing sources (uses)	
Transfers in	84,651
Transfers out	(16,723)
Net other financing sources (uses)	67,928
Net change in fund balance	-
Fund balance - beginning	-
Fund balance - ending	\$ -

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

Washington County, Florida
Tax Collector
Statement of Revenues, Expenditures
and Changes in Fund Balance – Budget and Actual
General Fund

<i>For the year ended September 30, 2020</i>	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Charges for services	\$ 694,166	\$ 694,764	\$ 671,733	\$ (23,031)
Total revenues	694,166	694,764	671,733	(23,031)
Expenditures				
Current				
General government	776,567	777,165	739,661	37,504
Capital outlay	2,250	2,250	-	2,250
Total expenditures	778,817	779,415	739,661	39,754
Excess (deficiency) of revenues over (under) expenditures	(84,651)	(84,651)	(67,928)	16,723
Other financing sources (uses)				
Transfers in	84,651	84,651	84,651	-
Transfers out	-	-	(16,723)	(16,723)
Net other financing sources (uses)	84,651	84,651	67,928	(16,723)
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

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

Washington County, Florida
Tax Collector
Statement of Fiduciary Net Position
Agency Funds

<i>September 30, 2020</i>	Agency Funds
Assets	
Cash	\$ 198,816
Due from others	298
Total assets	\$ 199,114
Liabilities	
Due to others	\$ 199,114
Total liabilities	\$ 199,114

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

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

The Washington County Tax Collector's office is an agency of Washington County, which is a political subdivision of the State of Florida. The County was established on December 29, 1825, by the Territorial Legislative Council. Washington County is governed by an elected Board of County Commissioners ("Board"), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Washington County Tax Collector's Office.

The Washington County, Florida Tax Collector (the "Tax Collector") is a separately elected County official established pursuant to the Constitution of the State of Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Washington County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Tax Collector's office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as part of the primary government of Washington County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Washington County, Florida taken as a whole. As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Tax Collector.

The operations of the Tax Collector are funded by fees and the Board. The receipts from the Board are recorded as other financing sources on the Tax Collector's financial statements and as other financing uses on the Board's financial statements. Any excess of revenue and other financial sources received over expenditures are remitted to the Board at year end.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The Tax Collector'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 Tax Collector has not presented reconciliations to 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 each major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Washington County, Florida, that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Washington County, Florida, as of September 30, 2020, 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.

In preparing these financial statements the following is reported as a major governmental fund:

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

The Tax Collector also reported the following fund type:

Agency Funds - The agency funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature and do not involve measurement of changes in financial position. The Tax Collector reports the Escrow, Tag and Tax transactions as Agency funds.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Basis of Accounting

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

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (continued)

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

The fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

When both restricted and unrestricted resources are available for use, it is the Tax Collector's policy to use restricted resources first, then unrestricted resources as needed.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short term investments with a maturity date within three months of the date acquired by the government.

Capital Assets and Depreciation

Tangible personal property is recorded as expenditures in the governmental fund at the time an asset is acquired. Assets acquired by the Tax Collector are capitalized at cost in capital asset accounts of the County. The Tax Collector's assets are reported in the statement of net assets in the County's financial statements. The Tax Collector maintains custodial responsibility for the capital assets used by his office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-30 years
-------------------------------------	------------

Accumulated Compensated Absences

A liability exists for accrued annual and sick leave, which will be taken by employees. The Tax Collector does not pay employees for unused sick leave upon termination. Vacation time is earned depending on the length of employment and up to 240 hours may be carried forward to future years.

The Tax Collector's accumulated compensated absences are reported in the statement of net position in the County's financial statements.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Requirements

Florida Statutes, Chapter 218.35 and 195.087, details the preparation, adoption and administration of the Tax Collectors' annual budget. The Tax Collector establishes an annual balanced budget for her office which displays the revenues available to the office and the functions for which the money is to be expended. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Department of Revenue and the Board of County Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles.

Due to Others

This account is used to account for assets held by the Tax Collector in a trustee capacity for other governmental agencies or individuals.

Property Tax Collections

Chapter 197, Florida Statutes, governs property tax collections.

Current Taxes

All property taxes become due and payable on November 1, and are delinquent on April 1 of the following year. Discounts of 4%, 3%, 2% and 1% are allowed for early payment in November through February, respectively.

Unpaid Taxes - Sale of Tax Certificates

The Tax Collector advertises, as required by Florida Statutes, and then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

Tax Deeds

The owner of a tax certificate may, after two years when the taxes have been delinquent (after April 1), file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder for the property, which is sold at public auction. The Clerk of the Court administers these sales.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risk Management and Insurance

The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and/or the public; or damage to property of others. The Tax Collector participates in the risk management program through the Washington County Board of County Commissioners which uses commercial insurance to cover certain risks from loss.

The Board obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees' Bond
- Workers' Compensation
- General and Automobile Liability

Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting procedures requires management to make use of estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from estimates.

Subsequent Events

The Tax Collector has evaluated subsequent events through the date of the Independent Auditors' Report which was the date the financial statements were available to be issued, May 24, 2021, and determined there were no events that occurred that required disclosure.

Impact of Recently Issued Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83 (GASB 83), *Certain Asset Retirement Obligations*. GASB 83 establishes standards of accounting and financial reporting requirements for legally enforceable liabilities associated with the retirement of certain tangible capital assets. State and local governments that have legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the regulation of GASB 83. The requirements of GASB 83 are effective for reporting periods beginning after June 15, 2019. GASB 83 had no impact on the Tax Collector's financial statements.

In March 2018, the GASB issued Statement No. 88 (GASB 88), *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB 88 requires that additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impact of Recently Issued Accounting Pronouncements (continued)

of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, GASB 88 also requires that existing and additional information be provided for direct borrowings and direct placement of debt separately from other debt. See Note 6 for additional disclosures related to the implementation of GASB 88.

In May 2020, the GASB issued Statement No. 95 (GASB 95), *Postponement of the Effective Date of Certain Authoritative Guidance*. GASB 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. GASB 95 had no impact on the Tax Collector's financial statements.

Pronouncements Issued But Not Yet Effective

In January 2017, the GASB issued Statement No. 84 (GASB 84), *Fiduciary Activities*. GASB 84 establishes specific criteria for identifying fiduciary activities and the requirements for financial statement reporting. The focus of the criteria is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. GASB 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. In addition, recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred which compels the government to disburse fiduciary resources should also be reported. GASB 84 will be effective for the fiscal years beginning after December 15, 2019.

In June 2017, the GASB issued Statement No. 87 (GASB 87), *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of GASB 87 are effective for reporting periods beginning after June 15, 2021.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

In June 2018, the GASB issued Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of GASB 89 are effective for reporting periods beginning after December 15, 2020.

In August 2018, the GASB issued Statement No. 90 (GASB 90), *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of GASB 90 are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of GASB 90 are effective for reporting periods beginning after December 15, 2019. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The primary objectives of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of GASB 91 are effective for reporting periods beginning after December 15, 2021.

In January 2020, the GASB issued Statement No. 92 (GASB 92), *Omnibus 2020*. The objectives of GASB 92 are to enhance the comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of GASB 92 are effective for reporting periods beginning after June 15, 2021.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

In March 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The purpose of GASB 93 is to address accounting and financial reporting implications that result from the replacement of interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). GASB 93 achieves this objective by (1) providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, (2) clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, (3) clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable, (4) removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, (5) identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of the interest rate swap, and (6) clarifying the definition of reference rate, as it is used in Statement 53, as amended. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021.

In March 2020, the GASB issued Statement No. 94 (GASB 94), *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of GASB 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in GASB 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in GASB 94 as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in GASB 94, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB 94 is effective for fiscal years beginning after June 15, 2022.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

In May 2020, the GASB issued Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB 96 is effective for fiscal years beginning after June 15, 2022.

In June 2020, the GASB issued statement No. 97 (GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of GASB 97 are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements for GASB 97 are effective for reporting periods beginning after June 15, 2021.

Note 2: DEPOSITS AND INVESTMENTS

At September 30, 2020, the carrying amount of the Tax Collector's cash and cash equivalents and restricted cash was \$213,655 and the bank balance was \$424,254. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the Tax Collector to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Tax Collector to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 2: DEPOSITS AND INVESTMENTS (Continued)

CREDIT RISK

At September 30, 2020, the Tax Collector did not hold any deposits or investments that were considered to have credit risk.

INTEREST RATE RISK

At September 30, 2020, the Tax Collector did not hold any investments that were considered to have interest rate risk.

CUSTODIAL CREDIT RISK

At September 30, 2020, the Tax Collector did not hold any deposits or investments that were considered to have custodial credit risk.

CONCENTRATION OF CREDIT RISK

At September 30, 2020, the Tax Collector did not hold any investments that were considered to have concentration of credit risk.

Note 3: EMPLOYEES PENSION PLAN

The Tax Collector participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year. FRS also provides death and disability benefits and cost-of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 3: EMPLOYEES PENSION PLAN (Continued)

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers pay all contributions at rates determined each year by the legislature. The rates, as a percentage of gross earnings, are as follows:

	10/01/19 Through 06/30/20	07/01/20 Through 09/30/20
Regular employees	8.47%	10.00%
Senior management	25.41%	27.29%
Elected county officials' class	48.82%	49.18%

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. For the year October 1, 2019 through September 30, 2020, the total payroll for all covered employees was \$509,042. The Tax Collector's contribution to the plans for the years ended September 30, 2020, 2019 and 2018 were \$87,171, \$81,316 and \$74,768. The contributions for the current year represented 17.12% of covered payroll.

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Washington County Tax Collector's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change.

Washington County, Florida
Tax Collector
Notes to Financial Statements

Note 4: POST EMPLOYMENT BENEFITS OTHER THAN PENSION

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Tax Collector are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Note 5: EXCESS REVENUE

Pursuant to Section 218.36(2), Florida Statutes, any excess revenues over expenditures determined as of the fiscal year end, "...is returned to each governmental unit in the same proportion as the fees paid by the governmental unit bear to the total fee income of the Tax Collector." For the year ended September 30, 2020, excess revenues over expenditures of \$16,723 are accrued and reported as transfers out.

Note 6: 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.

Note 7: OTHER CONTINGENCIES AND UNCERTAINTIES

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 Company. 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.



SUPPLEMENTARY INFORMATION

Washington County, Florida
Tax Collector
Combining Statement of Fiduciary Net Position
Agency Funds

<i>September 30, 2020</i>	Escrow	Tag	Tax	Total
Assets				
Cash	\$ 177,978	\$ (785)	\$ 21,623	\$ 198,816
Due from others	-	-	298	298
Total assets	\$ 177,978	\$ (785)	\$ 21,921	\$ 199,114
Liabilities				
Due to others	\$ 177,978	\$ (785)	\$ 21,921	\$ 199,114
Total liabilities	\$ 177,978	\$ (785)	\$ 21,921	\$ 199,114

See Independent Auditors' Report



COMPLIANCE SECTION



**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***

Honorable Ken Naker
Tax Collector
Washington 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 Washington County, Florida, Tax Collector (the "Tax Collector") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements and have issued our report thereon dated May 24, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not 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 identify a certain deficiency in internal control, described below as finding No. TC2003-003 that we consider to be a significant deficiency.

Honorable Ken Naker
Tax Collector
Washington County, Florida

PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Need for Segregation of Duties, TC2003-003

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of Tax Collector's assets.

CAUSE: The Tax Collector has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Tax Collector's administrative staff, it is difficult to achieve ideal separation of duties. However, the Tax Collector should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

STATUS: This condition continues to exist.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tax Collector'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*.

Tax Collector's Response to Findings

The Tax Collector's response to the findings identified in our audit is described in the accompanying letter. The Tax Collector's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Honorable Ken Naker
Tax Collector
Washington County, Florida

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 Tax Collector'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.

Marianna, Florida
May 24, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION
218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES***

Honorable Ken Naker
Tax Collector
Washington County, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Tax Collector complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector 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 our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

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

This report is intended solely for the information and use of 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.

Marianna, Florida
May 24, 2021

INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Ken Naker
Tax Collector
Washington County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Washington County, Florida, Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2020, and have issued our report thereon dated May 24, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 24, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Finding TC2003-003 found in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* has not been corrected.

Honorable Ken Naker
Tax Collector
Washington County, Florida

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Washington County, Florida, Tax Collector was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Washington County, Florida, Tax Collector.

Financial Condition and 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 have any such findings.

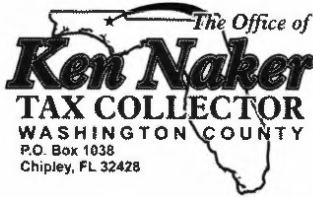
Purpose of this Letter

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, and the Washington 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.

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

Marianna, Florida
May 24, 2021

**Washington County, Florida
Tax Collector
Management's Response**



Main Office Hours

Monday - Friday 8:00am - 4:00pm
Ph: (850) 638-6275
Fx: (850) 638-6067

Drivers License Hours

Monday - Friday 8:00am - 4:00pm
Ph: (850) 638-6284

February 23, 2021

To Whom It May Concern:

I am in receipt of the audit report for the Washington County, Florida, Tax Collector for the fiscal year ending September 30, 2020. I have reviewed the letter regarding compliance and internal control, the schedule of findings and questioned costs and the management letter. Concerning the items noted, the following apply:

1. Segregation of Duties: I will continue to remain active in the day-to-day operations of the Tax Collector's Office. This is a small office with employees who have overlapping duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on monthly basis.

If I can be of any further assistance, please let me know.

Sincerely,

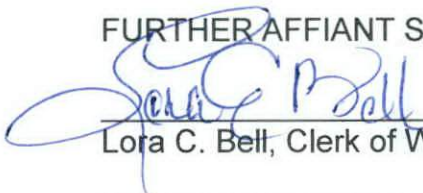
Ken Naker, CFC
Tax Collector

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Lora C. Bell, Clerk of Washington County, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of Washington County Board of County Commissioners, which is a local governmental entity of the State of Florida.
2. The governing body of Washington County Board of County Commissioners, adopted Ordinance No. 2007-09 implementing an impact fee.
3. Washington County Board of County Commissioners has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

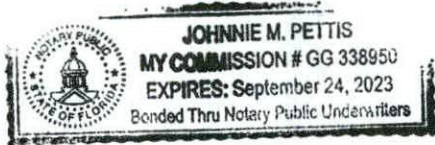
FURTHER AFFIANT SAYETH NAUGHT.

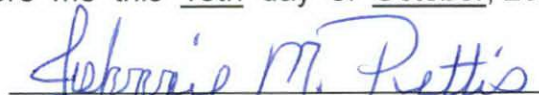


Lora C. Bell, Clerk of Washington County

STATE OF FLORIDA
COUNTY OF Washington

SWORN TO AND SUBSCRIBED before me this 18th day of October, 2021.





NOTARY PUBLIC
Print Name Johnnie M. Pettis

Personally known XX or produced identification _____

Type of identification produced:

My Commission Expires: September 24, 2023

¹ Pursuant to Section 163.31801(8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit.