

BAKER COUNTY, FLORIDA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

**BAKER COUNTY, FLORIDA
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SEPTEMBER 30, 2021**

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of Baker County, Florida (the County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Baker County Corrections Management Corporation (the BCCMC), which is 100 percent of the County's discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as they relate to the amounts included for the BCCMC, are based solely on the reports of the other auditors. 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 (1) unmodified audit opinion on each major fund and discretely presented component unit and the aggregate remaining fund information; and (2) qualified audit opinion on the governmental activities.

Basis for Qualified Opinion on Governmental Activities

Management has not acquired an actuarial valuation to determine the amount of its total OPEB (Other Postemployment Benefits) liability and has not presented such liability and related deferred inflows, deferred outflows and expenses in its government-wide financial statements as required by accounting principles generally accepted in the United States of America. The impact of such departure from generally accepted accounting principles on the liabilities, deferred inflows, deferred outflows, net position and expenses of the government-wide financial statements of the County is unknown. Such departure has no impact on the County's fund financial statements.

Qualified Opinion on Governmental Activities

In our opinion, based on our audit and the report of the other auditors, except for the effects, if any, of the matter described in the Basis for Qualified Opinion paragraph on the governmental activities, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the County, as of September 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion on Each Major Fund, Discretely Presented Component Unit, and the Aggregate Remaining Fund Information

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and discretely presented component union and the aggregate remaining fund information for the County, as of September 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

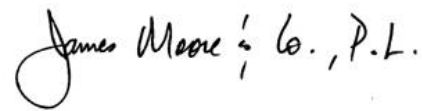
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining general fund and nonmajor fund financial statements, combining fiduciary fund schedule, and schedule of expenditures of federal awards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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Daytona Beach, Florida
January 9, 2023

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style and is contained within a thin black rectangular border.

**BAKER COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

As management of the Baker County, Florida, we offer readers of this narrative overview and analysis of the financial activities of the Baker County, Florida for the fiscal year ended September 30, 2021.

Financial Highlights

The following are various financial highlights for fiscal year 2021:

- The County's overall net position increased by \$7,615,848.
- Total ending net position was approximately \$51.1 million, which includes negative unrestricted net position of approximately \$6.6 million.

Overview of the Basic Financial Statements

This annual report contains government-wide financial statements that report on the County's activities as a whole and fund financial statements that report on the County's individual funds.

Government-wide Financial Statements

The first financial statement is the Statement of Net Position. This statement includes all of the County's assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private-sector companies. All of the current year revenues and expenditures are recorded, regardless of when cash is received or paid. Net Position – the difference between assets, liabilities, and deferred outflows/inflows – can be used to measure the County's financial position.

The second financial statement is the Statement of Activities. This statement is also shown using the accrual basis of accounting. It shows the increases and decreases in net position during the fiscal year. Over time, the increases or decreases in net position are useful indicators of whether the County's financial health is improving or deteriorating. However, other non-financial factors, such as road conditions or changes in the tax base, must also be considered when assessing the overall health of the County.

In these statements, the County's activities are reported as follows:

- Governmental activities – The County's basic services are reported here, including administration, law enforcement and corrections, fire services, road and bridge maintenance, and garbage. Taxes and charges for services finance most of these activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate component unit, the Baker County Correctional Management Corporation. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

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

**BAKER COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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

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

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Road Paving Fund, the Transportation Trust Fund, the Fine and Forfeiture Fund and the SHIP Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing budget to actual comparisons for the general fund and major special revenue funds and certain information pertaining to the County's participation in the Florida Retirement System. Following the required supplementary information can be found combining balance sheets and combining statements of revenues, expenditures and changes in fund balances for the non-major governmental funds, a combining statement of fiduciary net position, and a schedule of expenditures of federal and state awards.

**BAKER COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Schedule of Net Position

	<u>2021</u>	<u>2020</u>
ASSETS		
Current and other assets	\$ 27,391,968	\$ 19,489,292
Capital assets	52,667,074	50,627,953
Total assets	<u>80,059,042</u>	<u>70,117,245</u>
Deferred outflows of resources	<u>5,027,422</u>	<u>8,611,580</u>
LIABILITIES		
Current and other liabilities	7,993,062	2,684,095
Long-term liabilities	10,786,218	31,856,731
Total liabilities	<u>18,779,280</u>	<u>34,540,826</u>
Deferred inflows of resources	<u>15,233,430</u>	<u>730,093</u>
NET POSITION		
Net investment in capital assets	\$ 51,005,012	\$ 48,065,397
Restricted	7,487,153	9,234,339
Unrestricted	(7,418,411)	(13,841,830)
Total net position	<u>\$ 51,073,754</u>	<u>\$ 43,457,906</u>

Schedule of Changes in Net Position

	<u>2021</u>	<u>2020</u>
REVENUES		
Program revenues:		
Charges for services	\$ 15,799,846	\$ 15,570,470
Operating grants and contributions	8,886,360	5,617,266
Capital grants and contributions	2,566,873	3,954,607
General revenues		
Property taxes	6,953,903	6,777,924
Other taxes	3,773,704	3,393,562
Unrestricted shared revenue	4,762,600	4,270,201
Other	1,920,303	1,358,771
Total revenues	<u>44,663,589</u>	<u>40,942,801</u>
EXPENSES		
General government	4,925,184	5,684,128
Public safety	20,903,707	25,264,319
Physical environment	1,114,984	1,194,119
Transportation	4,523,672	4,381,102
Economic environment	244,364	36,769
Human services	3,626,561	842,120
Culture and recreation	489,063	520,659
Court related	1,143,209	1,322,430
Interest on long-term debt	76,997	68,310
Total expenses	<u>37,047,741</u>	<u>39,313,956</u>
Change in net position	7,615,848	1,628,845
Net position, beginning of year	43,457,906	41,829,061
Net position, end of year	<u>\$ 51,073,754</u>	<u>\$ 43,457,906</u>

**BAKER COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental Activities

The governmental activities generated \$44.6 million in revenues and incurred \$37 million of expenses. This resulted in an increase in net position of approximately \$7.6 million. This compares with a prior year increase in net position of approximately \$1.6 million. The largest factor in the positive fluctuation in net position compared to prior year related to favorable changes in the County's net pension liability related to participation in the Florida Retirement System (FRS).

The County's Individual Funds

- The General Fund's total fund balance increased by \$1,956,297, compared with an increase of approximately \$2,664,211 last year. The most significant cause of this negative fluctuation was a decrease in one time grant funding in the prior year.
- The fund balance of the Fine & Forfeiture Fund decreased by \$294,226 due to the timing of expenditures and transfers to/from the general fund.
- Revenues were equal to expenditures in the State Housing Initiative Project fund.
- The Transportation Trust Fund's total fund balance increased by \$102,615, primarily due to the timing of certain capital outlay expenditures.
- The Road Paving Fund's total fund balance increased by \$18,720, primarily due to transfers in from the general fund.
- The CARES Act and ARPA funds are special revenue funds overseeing the CARES Act and ARPA revenues received as a part of the federal government's response to COVID-19.

GENERAL FUND – BUDGETARY HIGHLIGHTS

Revenues of the General Fund were approximately \$645,000 more than budgeted amounts. The largest variance between final budget amounts and actual results occurred with intergovernmental revenues. The primary source of intergovernmental activity that caused the fluctuation was intergovernmental grant revenue. The County budgeted less than the full grant revenue that recognized in the financial statements. Expenditures were less than budgeted amounts by about approximately \$480,000, primarily due to certain general public safety expenditures that did not occur during the year.

CAPITAL ASSETS

The County's capital assets, net of depreciation, increased by approximately \$2 million during the year. Please refer to the note to the accompanying financial statements entitled Capital Assets for more detailed information about the County's capital asset activity.

DEBT ADMINISTRATION

There were several capital lease agreements entered into during the current year. Please refer to a note to the accompanying financial statements entitled Changes in Long-Term Liabilities for more detailed information about the County's long-term debt activity.

**BAKER COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

ECONOMIC FACTORS

Baker County has relied on property taxes, intergovernmental resources, and accumulated reserves to fund its operations. The County is addressing the reliance upon reserves for operational cost going forward. The County has utilized grants, road, EMS, and park impact fees to help fund the infrastructure needs.

The Board of County Commissioners adopted a General Fund millage rate of 7.2916 mills for fiscal year 2022, equal to the millage rate adopted for fiscal year 2021.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Baker County at 55 N. Third St., Macclenny, Florida 32063.

**BAKER COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Baker County Corrections Management Corporation</u>
ASSETS		
Cash and cash equivalents	\$ 19,423,999	\$ 4,213,574
Investments	2,294,082	-
Receivables, net	379,965	1,692,089
Due from other governments	5,264,586	-
Due from component unit	-	503,176
Prepays	29,336	-
Restricted assets:		
Equity in pooled cash	-	1,307,604
Capital assets:		
Capital assets, not being depreciated	12,812,781	1,635,160
Capital assets, net of depreciation	39,854,293	25,758,422
Total assets	<u>\$ 80,059,042</u>	<u>\$ 35,110,025</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	<u>\$ 5,027,422</u>	<u>\$ -</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 3,441,326	\$ 78,466
Due to other governments	51,379	-
Due to component unit	503,176	-
Unearned revenue	3,997,181	-
Noncurrent liabilities:		
Due within one year:		
Bonds and notes payable	42,859	883,200
Capital lease payable	302,231	16,193
Compensated absences	1,058,089	-
Due in more than one year:		
Bonds and notes payable	158,842	28,720,741
Capital lease payable	1,158,130	273,489
Compensated absences	26,597	-
Net pension liability	8,039,470	-
Total liabilities	<u>\$ 18,779,280</u>	<u>\$ 29,972,089</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	<u>\$ 15,233,430</u>	<u>\$ -</u>
NET POSITION		
Net investment in capital assets	\$ 51,005,012	\$ 2,695,065
Restricted for:		
Health reimbursements	345,838	-
Law enforcement	1,233,598	-
Fire and rescue	480,248	-
Recreation	358,357	-
Human services	174,328	-
Physical environment	37,704	-
Transportation	3,402,398	-
Economic environment	771,621	-
Court costs	520,551	-
Equitable sharing	122,480	-
Other purposes	40,030	1,307,604
Unrestricted	(7,418,411)	1,135,267
Total net position	<u>\$ 51,073,754</u>	<u>\$ 5,137,936</u>

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

**BAKER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary</u>	<u>Component Unit</u>
					<u>Governmental Activities</u>	<u>Baker County Corrections Management Corporation</u>
Governmental activities:						
General government	\$ 4,925,184	\$ 1,393,715	\$ 173,416	\$ -	\$ (3,358,053)	\$ -
Public safety	20,762,643	13,226,706	1,321,962	855,174	(5,358,801)	-
Physical environment	1,114,984	481,367	209,874	-	(423,743)	-
Transportation	4,523,672	-	3,285,023	1,699,398	460,749	-
Economic environment	244,364	-	425,092	-	180,728	-
Human services	3,626,561	-	3,079,702	-	(546,859)	-
Culture and recreation	489,063	32,061	69,921	12,301	(374,780)	-
Court related	1,143,209	837,578	345,367	-	39,736	-
Interest on long-term debt	76,997	-	-	-	(76,997)	-
Total governmental activities	<u>36,906,677</u>	<u>15,971,427</u>	<u>8,910,357</u>	<u>2,566,873</u>	<u>(9,458,020)</u>	<u>-</u>
Total primary government	<u>\$ 36,906,677</u>	<u>\$ 15,971,427</u>	<u>\$ 8,910,357</u>	<u>\$ 2,566,873</u>	<u>(9,458,020)</u>	<u>-</u>
Component units:						
Baker County Corrections Management Corporation	<u>\$ 12,287,438</u>	<u>\$ 12,698,164</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>410,726</u>
General revenues:						
Property taxes					6,953,903	-
Sales taxes					2,310,313	-
Other taxes					1,463,391	-
Franchise fees					600,491	-
State revenue sharing					4,762,600	-
Investment earnings					44,010	10,320
Gain on sale of assets					490,255	-
Miscellaneous revenues					448,905	-
Total general revenues					<u>17,073,868</u>	<u>10,320</u>
Change in net position					7,615,848	421,046
Net position, beginning of year					43,457,906	4,716,890
Net position, end of year					<u>\$ 51,073,754</u>	<u>\$ 5,137,936</u>

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

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

	General	Transportation Trust	Road Paving	Fine and Forfeiture	SHIP	CARES Act	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS									
Equity in pooled cash and cash equivalent:	\$ 12,048,170	\$ 327,047	\$ (230,762)	\$ 305,069	\$ 1,178,810	\$ 14,287	\$ 2,836,850	\$ 2,944,528	\$ 19,423,999
Investments	35,039	2,259,043	-	-	-	-	-	-	2,294,082
Receivables, net	283,705	6,417	-	-	-	-	-	89,843	379,965
Due from other governments	1,218,906	380,835	2,545,070	-	-	-	-	1,119,775	5,264,586
Due from other funds	-	-	-	-	-	-	-	4,689	4,689
Prepaid items	29,336	-	-	-	-	-	-	-	29,336
Total Assets	\$ 13,615,156	\$ 2,973,342	\$ 2,314,308	\$ 305,069	\$ 1,178,810	\$ 14,287	\$ 2,836,850	\$ 4,158,835	\$ 27,396,657
LIABILITIES									
Accounts payable and accrued liabilities	\$ 1,143,663	\$ 97,083	\$ 1,788,169	\$ 40,845	\$ 18,479	\$ 14,287	\$ -	\$ 338,800	\$ 3,441,326
Due to other governments	51,379	-	-	-	-	-	-	-	51,379
Due to other funds	4,689	-	-	-	-	-	-	-	4,689
Due to component unit	503,176	-	-	-	-	-	-	-	503,176
Unearned revenue	-	-	-	-	1,160,331	-	2,836,850	-	3,997,181
Total liabilities:	1,702,907	97,083	1,788,169	40,845	1,178,810	14,287	2,836,850	338,800	7,997,751
FUND BALANCES									
Nonspendable:									
Prepaid items	29,336	-	-	-	-	-	-	-	29,336
Restricted for:									
Title IV D	-	-	-	-	-	-	-	-	-
Health reimbursements	-	-	-	-	-	-	-	345,838	345,838
Law enforcement	-	-	-	264,224	-	-	-	969,374	1,233,598
Fire and rescue	-	-	-	-	-	-	-	480,248	480,248
Transportation	-	2,876,259	526,139	-	-	-	-	-	3,402,398
Recreation	-	-	-	-	-	-	-	358,357	358,357
Human services	-	-	-	-	-	-	-	174,328	174,328
Physical environment	-	-	-	-	-	-	-	37,704	37,704
Law library	-	-	-	-	-	-	-	4	4
Juvenile program	-	-	-	-	-	-	-	4	4
Crime prevention	-	-	-	-	-	-	-	40,022	40,022
Court costs	-	-	-	-	-	-	-	520,551	520,551
Equitable sharing	-	-	-	-	-	-	-	122,480	122,480
Economic environment	-	-	-	-	-	-	-	771,621	771,621
General government	-	-	-	-	-	-	-	-	-
Assigned to:									
Jail operations	162,601	-	-	-	-	-	-	-	162,601
Court operations	368,339	-	-	-	-	-	-	-	368,339
Subsequent year's budget	388,207	-	-	-	-	-	-	-	388,207
Unassigned	10,963,766	-	-	-	-	-	-	(496)	10,963,270
Total fund balances	11,912,249	2,876,259	526,139	264,224	-	-	-	3,820,035	19,398,906
Total Liabilities and Fund Balances	\$ 13,615,156	\$ 2,973,342	\$ 2,314,308	\$ 305,069	\$ 1,178,810	\$ 14,287	\$ 2,836,850	\$ 4,158,835	\$ 27,396,657

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

BAKER COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Fund balances - total governmental funds \$ 19,398,906

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

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

Total governmental capital assets - nondepreciable	12,812,781	
Total governmental capital assets - depreciable	100,203,949	
Less: accumulated depreciation	<u>(60,349,656)</u>	52,667,074

On the statement of net position, the County's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.

Net pension liability	(8,039,470)	
Deferred outflows related to pensions	5,027,422	
Deferred inflows related to pensions	<u>(15,233,430)</u>	(18,245,478)

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

Bonds and notes payable	(201,701)	
Capital leases	(1,460,361)	
Compensated absences	<u>(1,084,686)</u>	(2,746,748)

Net position of governmental activities \$ 51,073,754

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

BAKER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General	Transportation Trust	Road Paving	Fine and Forfeiture	SHIP	CARES Act	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
Revenues									
Taxes	\$ 4,176,832	\$ 1,237,485	\$ -	\$ 5,812,999	\$ -	\$ -	\$ -	\$ 100,782	\$ 11,328,098
Permits and fees	139,959	-	-	-	-	-	-	160,597	300,556
Intergovernmental	6,442,243	1,310,956	4,215,788	-	425,092	2,653,503	-	1,375,996	16,423,578
Charges for services	13,133,899	-	-	-	-	-	-	1,859,166	14,993,065
Fines and forfeitures	154,754	-	-	245	-	-	-	143,481	298,480
Investment income	23,032	7,063	-	2,641	1,585	2,562	-	7,127	44,010
Miscellaneous	460,250	50,119	-	57,427	-	-	-	76,687	644,483
Total revenues	<u>24,530,969</u>	<u>2,605,623</u>	<u>4,215,788</u>	<u>5,873,312</u>	<u>426,677</u>	<u>2,656,065</u>	<u>-</u>	<u>3,723,836</u>	<u>44,032,270</u>
Expenditures									
Current:									
General government	4,564,761	-	-	-	-	-	-	140,438	4,705,199
Public safety	16,760,044	-	-	2,890,018	-	-	-	1,345,098	20,995,160
Physical environment	152,717	-	-	-	-	-	-	795,465	948,182
Transportation	-	2,265,106	343,041	-	-	-	-	-	2,608,147
Economic environment	76,110	-	-	-	168,254	-	-	-	244,364
Human services	821,349	-	-	-	258,423	2,546,695	-	-	3,626,467
Culture and recreation	298,150	-	-	-	-	-	-	179,102	477,252
Court related	1,004,199	-	-	-	-	-	-	67,781	1,071,980
Capital outlay	1,224,722	29,658	3,854,027	-	-	109,370	-	1,197,861	6,415,638
Debt service:									
Principal retirement	171,540	165,080	-	-	-	-	-	155,259	491,879
Interest and fiscal charges	11,054	43,164	-	-	-	-	-	22,779	76,997
Total expenditures	<u>25,084,646</u>	<u>2,503,008</u>	<u>4,197,068</u>	<u>2,890,018</u>	<u>426,677</u>	<u>2,656,065</u>	<u>-</u>	<u>3,903,783</u>	<u>41,661,265</u>
Excess (deficiency) of revenues over expenditures	<u>(553,677)</u>	<u>102,615</u>	<u>18,720</u>	<u>2,983,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(179,947)</u>	<u>2,371,005</u>
Other financing sources (uses)									
Issuance of debt	222,704	-	-	-	-	-	-	-	222,704
Transfers in	4,656,070	-	-	2,000,000	-	-	-	446,236	7,102,306
Transfers out	(2,368,800)	-	-	(4,689,068)	-	-	-	(44,438)	(7,102,306)
Total other financing sources (uses)	<u>2,509,974</u>	<u>-</u>	<u>-</u>	<u>(2,689,068)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>401,798</u>	<u>222,704</u>
Net change in fund balances	<u>1,956,297</u>	<u>102,615</u>	<u>18,720</u>	<u>294,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,851</u>	<u>2,593,709</u>
Fund balances, beginning of year	<u>9,955,952</u>	<u>2,773,644</u>	<u>507,419</u>	<u>(30,002)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,598,184</u>	<u>16,805,197</u>
Fund balances, end of year	<u>\$ 11,912,249</u>	<u>\$ 2,876,259</u>	<u>\$ 526,139</u>	<u>\$ 264,224</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,820,035</u>	<u>\$ 19,398,906</u>

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

BAKER COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balances - total governmental funds \$ 2,593,709

Differences in amounts reported for governmental activities in the statement of activities are:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Capital outlay expenditures	6,415,638
Depreciation expense	(4,235,453)
Net book value of disposition of capital assets	490,255

Repayment of notes payable, capital leases, and other long-term liabilities are expenditures in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position. These amounts are as follows:

Principal repayment of general long-term debt	491,879
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Proceeds from issuance of long-term liabilities are recognized as other financing sources in the governmental funds, but increase long-term liabilities in the statement of net position. These amounts are as follows:

Proceeds from issuance of notes payable and capital leases	(222,704)
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Governmental funds report contributions to defined benefit pension plans as expenditures.

However, in the Statement of Activities, the amount contributed to defined benefit pension plans reduces future net pension liability. Also included in pension expense in the Statement of Activities are amounts required to be amortized.

Change in net pension liability and deferred inflows/outflows related to pensions	2,094,109
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Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. These adjustments are as follows:

Change in compensated absences liability	(11,585)
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Change in net position of governmental activities \$ 7,615,848

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

BAKER COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

	Custodial Funds
ASSETS	
Cash and equivalents	\$ 925,397
Total assets	\$ 925,397
 LIABILITIES	
Accounts payable and accrued expenses	\$ 654
Deposits held in escrow	2,690
Due to other governments	378,403
Due to others	356,817
Total liabilities	\$ 738,564
 NET POSITION	 \$ 186,833

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

BAKER COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Custodial Funds
Additions	
Taxes	\$ 22,386,089
Seizures	12,600
Permits, fees, and special assessments	1,107,908
Deposits and trusts	1,291,685
Miscellaneous	19,085
Court related	268,493
Total additions	25,091,920
 Deductions	
Payments to individuals	929,561
Payments to other governments	14,685,287
Payments to other funds	8,196,460
Miscellaneous	5,776
Court related	268,493
Total deductions	24,960,843
 Net change in fiduciary net position	131,077
 Net position, beginning of year	55,756
 Net position, end of year	\$ 186,833

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

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

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

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

(a) **Reporting entity**—Baker County, Florida is a non-charter, general purpose local government established under the legal authority of the Constitution of the State of Florida. It is composed of an elected five-member Board of County Commissioners (the Board) and five elected constitutional officers, who are governed by state statutes and regulations. The Board and the constitutional officers – the Clerk of the Circuit Court, the Sheriff, the Tax Collector, the Property Appraiser, and the Supervisor of Elections – each operate as a separate county agency. Pursuant to Florida law, the Clerk of the Circuit Court is the clerk and accountant of the Board and serves as the auditor, recorder, and custodian of the Board's funds.

Component units are entities for which the County is considered to be financially accountable or entities that would be misleading to exclude.

The County is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County. The County may also be financially accountable for governmental organizations that are fiscally dependent on it.

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

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

There was a positive response to the criteria used for establishing financial accountability for the Baker County Corrections Management Corporation's (the BCCMC). Accordingly, the BCCMC has been included in the County's financial statements as a discretely presented component unit.

The BCCMC, a not-for-profit organization, was authorized by Sections 125.01 and 130.01, Florida Statutes, as amended. The Organization was established to issue revenue bonds to finance the construction of a new jail facility for the County, and to operate the facility upon completion. The Baker Corrections Management Corporation was formed in the February 2019 in order to facilitate bond refinancing. The facility has 512 beds and became operational on June 13, 2009. The members of the original governing board of the Baker County Development Corporation (a previous component unit that dissolved prior to the beginning of the current fiscal year) were appointed by the Baker County Board of County Commissioners. Baker County Board of County Commissioners retains the right to remove the Component Unit's board members with or without cause. Financial statements of the Component Unit are separately issued and can be requested at PO Box 749, Macclenny, FL 32063.

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

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

(b) **Joint ventures**—The governments of Baker, Bradford, and Union Counties established the New River Solid Waste Association (the “Association”) through an interlocal agreement. The Association was established to provide a regional approach to solid waste management for the citizens of the tri-county region. The Association is governed by a Board of Directors whose members are appointed by each participating government. The County does not have an ongoing financial interest in the Association. However, the County does have an ongoing financial responsibility to the Association in that the Association's continued existence depends on the County's continuing participation. A copy of the Association's separate financial statements may be obtained from its administrative offices in Raiford, Florida.

The governments of Baker, Bradford, and Union Counties established the New River Public Library Cooperative (the “Cooperative”) through an interlocal agreement. The Cooperative was established to provide unified library services to the citizens of the tri-county region. The Cooperative is governed by a Board of Directors whose members are appointed by each participating government. The County does not have an ongoing financial interest in the Cooperative, however, the County does have an ongoing financial responsibility to the Cooperative in that the Cooperative's continued existence depends on the County's continuing participation. A copy of the Cooperative's separate financial statements may be obtained from its administrative offices in Lake Butler, Florida.

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

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

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

(d) **Measurement focus and basis of accounting**—The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The accounting and financial reporting treatment is determined by the applicable measurement focus and the basis of accounting. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities).

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 90 days of the end of the current fiscal period; except for property taxes which is 60 days.

Property taxes, special assessments, intergovernmental revenues, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

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

The County reports the following major governmental funds:

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

Transportation Trust Fund – This special revenue fund is used primarily to account for the receipt and expenditure of gas taxes and other funds restricted for transportation.

Road Paving Fund – This special revenue fund is used primarily to account for the grants and other revenues received by the County that are restricted to road paving and road infrastructure needs of the County.

Fine and Forfeiture Fund – This special revenue fund is used primarily to fund operations of the Sheriff's Office. The operations are primarily financed by ad-valorem taxes and miscellaneous court surcharges.

SHIP Fund – This special revenue fund is used to account for the state housing initiatives partnership (SHIP) grant.

CARES Act Fund – This special revenue fund is used to account for the CARES Act Coronavirus Relief Fund grant.

ARPA Fund – This special revenue fund is used to account for the American Rescue Plan Act grant.

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

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

The County reports the following other fund type:

Custodial Funds - Custodial funds are used to account for assets held by the County in a custodial or trustee capacity. Custodial funds do not involve the measurement of results of operations.

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

The County categorizes of fair value measurements within the fair value hierarchy, based on the valuation inputs used to measure the fair value of the asset. Investments in external pools, though measured at fair value, are not categorized within the fair value hierarchy.

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

(g) **Allowance for uncollectible accounts**—Receivables are reported net of an allowance for uncollectible service fees of \$746,475.

(h) **Capital assets**—Capital assets include property, plant, equipment and infrastructure assets. The terms general capital assets and general infrastructure assets relate only to the assets associated with governmental activities, whereas the terms capital assets and infrastructure assets relate to all such assets belonging to the County. Capital assets are defined by the County as property and equipment with an initial individual cost of \$5,000 or more and infrastructure of \$50,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost, if purchased or constructed. Donated assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are only capitalized if they meet the dollar threshold above for capitalization. Donated capital assets are recorded at acquisition value. Maintenance and repairs of capital assets are charged to operating expenses.

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

Assets	Years
Buildings and Improvements	15 – 100 years
Infrastructure (Roads and Bridges)	40 – 50 years
Machinery and Equipment	3 – 20 years

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

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

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

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

(k) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the only item in this category consisted of deferred amounts related to pensions, as discussed further in Note (10).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of financial position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the item in this category consisted of deferred inflows of resources related to pensions, as discussed further in Note (10).

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

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

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

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

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

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

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

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

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

(m) **Net position flow assumption**—Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the County's policy to consider restricted net position to have been used before unrestricted net position is applied.

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

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

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

The annual budget is prepared at the fund, department, and division level. The department directors submit requests for appropriations to the Clerk of Courts. The Clerk submits a recommended budget to the Board of County Commissioners. Public hearings on the proposed budget are held in September. On or before October 1, the budget is adopted by the Board of County Commissioners. Transfers between funds require Board approval. If during the fiscal year, there are additional available revenues for appropriation in excess of those estimated in the budget; the Board may make supplemental appropriations for the year, up to the amount of such excess revenues. Appropriations in all funds lapse at the close of the fiscal year to the extent that it has not been re-budgeted in the following fiscal year. The fund is the legal level of budgetary control. Expenditures exceed appropriations in the CARES Act Fund by \$1,673,563.

(p) **Impact fees**—The County has not adopted any ordinances or resolutions to levy impact fees in accordance with Section 163.31801, *Florida Statutes*.

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

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

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

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

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

(13) Deposits and Investments:

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

The State Board of Administration PRIME pool (Florida PRIME) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the County’s investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value. The weighted average maturity of the fund was 48 days. At September 30, 2021, the County had \$2,294,082 invested with Florida PRIME.

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

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

(14) Interfund Balances and Transfers:

Transfers from/to other funds for the year ended September 30, 2021, were as follows:

Recipient Fund	Amount	Reason for Transfer
	Transferred	
Fine and Forfeiture	\$ 2,000,000	Transfer from General Fund to aid in operating costs
General Fund	4,656,070	Transfer from fine and forfeiture fund for public safety reimbursements.
Sheriff Special Law Fund	4,689	Transfer from Equitable Sharing Fund for fund reimbursements
12.50 SC Fund	18,800	Transfer from General Fund to aid in operating costs
Emergency Management	57,871	Transfer from General Fund to aid in operating costs
Solid Waste Fund	350,000	Transfer from General Fund to aid in operating costs
Court Innovations Trust	7,434	Transfer from Law Library Trust to Court Innovations Trust for funds
Court Innovations Trust	7,442	Transfer from Juvenile Trust to Court Innovations Trust for funds owed
	<u>\$ 7,102,306</u>	

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

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

As of September 30, 2021, interfund balances consisted of:

	Due From Other Funds	Due To Other Funds
General Fund	\$ -	\$ 4,689
Non-Major Funds:		
Equitable Sharing Fund	4,689	-
Total	\$ 4,689	\$ 4,689

(5) **Capital Assets:**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,427,944	\$ -	\$ -	\$ 5,427,944
Construction in progress	3,551,769	4,788,667	(955,599)	7,384,837
Total assets not being depreciated	8,979,713	4,788,667	(955,599)	12,812,781
Capital assets being depreciated:				
Building & Improvements	18,373,241	10,369	-	18,383,610
Infrastructure	62,092,963	955,599	-	63,048,562
Machinery and equipment	18,435,461	1,616,602	(1,280,286)	18,771,777
Total assets being depreciated	98,901,665	2,582,570	(1,280,286)	100,203,949
Less accumulated depreciation for:				
Buildings, Improvements	(5,499,251)	(489,625)	-	(5,988,876)
Infrastructure	(38,778,947)	(1,831,959)	-	(40,610,906)
Machinery and equipment	(12,975,227)	(1,913,869)	1,139,222	(13,749,874)
Total accumulated depreciation	(57,253,425)	(4,235,453)	1,139,222	(60,349,656)
Total capital assets being depreciated, net	41,648,240	(1,652,883)	(141,064)	39,854,293
Governmental activities capital assets, net	\$ 50,627,953	\$ 3,135,784	\$ (1,096,663)	\$ 52,667,074

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

(5) **Capital Assets:** (Continued)

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

General Government	\$ 434,109
Public Safety	1,409,711
Physical Environment	185,707
Transportation	2,019,520
Human Service	4,660
Culture and Recreation	36,702
Court Related	145,044
	<u>\$ 4,235,453</u>

Capital assets activity for the Component Units for the year ended September 30, 2021, was as follows:

Governmental Activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 1,635,160	\$ -	\$ -	\$ 1,635,160
Capital assets being depreciated:				
Equipment	1,268,271	302,837	-	1,571,108
Buildings and improvements	26,636,806	-	-	26,636,806
Total capital assets being depreciated	<u>27,905,077</u>	<u>302,837</u>	<u>-</u>	<u>28,207,914</u>
Less accumulated depreciation	1,509,003	940,489	-	2,449,492
Total capital assets being depreciated, net	<u>26,396,074</u>	<u>(637,652)</u>	<u>-</u>	<u>25,758,422</u>
Total capital assets, net	<u>\$ 28,031,234</u>	<u>\$ (637,652)</u>	<u>\$ -</u>	<u>\$ 27,393,582</u>

(6) **Long-Term Debt:**

Notes Payable

The County has entered into various long-term note agreements, which are summarized below:

Note payable to financial institution for ambulance, interest rate of 2.50%, payable from General Fund through March 2026. Loan is secured by vehicle. \$ 201,701

**BAKER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

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

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 42,859	\$ 5,596	\$ 48,455
2023	43,958	3,516	47,474
2024	45,080	2,396	47,476
2025	46,241	1,233	47,474
2026	23,563	174	23,737
Total	\$ 201,701	\$ 12,915	\$ 214,616

Capital Leases

The County leases heavy equipment under agreements that are classified as capital leases. The agreements bear interest rates ranging from 2.71% to 6.25%. The future minimum lease payments required and the present value of the net minimum lease payments at September 30, 2021, are as follows:

<u>Year Ending September 30,</u>	<u>Payment</u>
2022	\$ 333,939
2023	333,940
2024	430,249
2025	118,115
2026	118,116
2027-2028	236,231
Total minimum lease payments	1,570,590
Less: amount representing interest	110,229
Present value of minimum lease payments	\$ 1,460,361

Amortization of leased equipment under capital assets is included with depreciation expense.

The following is a summary of changes in long-term debt of the County for the year ended September 30, 2021:

	<u>Balance</u>			<u>Balance</u>	<u>Current</u>
	<u>10/01/20</u>	<u>Increases</u>	<u>Decreases</u>	<u>09/30/21</u>	<u>Portion</u>
Capital lease obligations	\$ 2,502,633	\$ -	\$ (1,042,272)	\$ 1,460,361	\$ 302,231
Compensated absences	1,073,101	1,541,324	(1,529,739)	1,084,686	1,058,089
Notes payable	59,923	222,704	(80,926)	201,701	42,859
Totals	\$ 3,635,657	\$ 1,764,028	\$ (2,652,937)	\$ 2,746,748	\$ 1,403,179

The following is a summary of changes in long-term debt of the Component Units for the year ended September 30, 2021:

	<u>Beginning</u>			<u>Ending</u>	<u>Due Within</u>
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>One Year</u>
USDA loan	\$ 31,102,223	-	\$ (1,498,282)	\$ 29,603,941	\$ 883,200
Capital lease obligations	-	297,568	(7,886)	289,682	16,193
Totals	\$ 31,102,223	\$ 297,568	\$ (1,506,168)	\$ 29,893,623	\$ 899,393

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

(7) **Risk Management:**

Commercial Insurance

The County is exposed to various risks of loss related to general liability, auto liability, collision, property, inland marine and crime liability. The County carries commercial insurance for coverage of those risks. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

Public Entity Risk Pool

The County is exposed to a risk of loss related to worker's compensation. To manage this risk, the County joined a public entity risk pool (the "pool"). The County pays annual premiums to the pool for its coverage. Premiums paid to the pool are designed to fund the risks assumed by the pool and are based on certain actual exposures of each member.

(8) **Related Party Transactions:**

Facility operations agreements between the Component Unit and the Baker County Sheriff's Office were executed to facilitate operations of the correctional facility. The Component Unit is the owner of the correctional facility and issuer of revenue bonds for the cost of construction of the facility. Construction of the correctional facility was completed in May 2009. The Sheriff's Office is responsible for the operation of the facility and resources are provided from the Component Unit to the Sheriff's Office to cover the costs associated with correctional operations and facility management.

Costs covering the correctional operations, such as salaries and benefits of corrections officers and administrative staff, insurance, inmate medical costs, compensatory time for detention staff and other various reimbursements are reimbursed by the Component Unit to the Sheriff's Office at the actual costs incurred; approximately \$10,200,000 during 2021.

Due to Component Unit

At September 30, 2021, amounts due to the Component Unit from the County's Office amounted to \$503,176.

(9) **Deficit Fund Balance:**

At September 30, 2021, the Legal Aid Trust fund, a nonmajor fund, had a deficit fund balance of \$496. The Legal Aid Trust fund balance is at a deficit due to transfers in were not enough to support the fund as a whole, thereby leading to a fund deficit.

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

(10) **Employees' Retirement Plans:**

Florida Retirement System

Plan Description and Administration

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

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

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

Benefits Provided and Employees Covered

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

**BAKER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

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

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

Financial Statements

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

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

Contributions

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

FRS Membership Plan & Class	Through June 30, 2021	After June 30, 2021
Regular Class	10.00%	10.82%
Senior Management (SMSC)	27.29%	29.01%
Special Risk	24.45%	25.89%
Elected Official Class	49.18%	51.42%

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

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

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

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

Entity Contributions – FRS	\$ 1,948,656
Entity Contributions – HIS	200,089
Employee Contributions – FRS	361,606

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

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

Plan	Net Pension Liability
FRS	\$ 3,863,924
HIS	4,175,546
Total	\$ 8,039,470

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer proportion of the net pension liability was based on a projection of the organization's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2021 and 2020, the organization's proportionate share of the FRS and HIS net pension liabilities were as follows:

Plan	2021	2020
FRS	0.051151621%	0.055667836%
HIS	0.034040228%	0.033528808%

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

FRS	\$ (227,108)
HIS	306,252
Total	\$ 79,144

Deferred outflows/inflows related to pensions:

At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 662,283	\$ -	\$ 139,724	\$ (1,749)
Changes of assumptions	2,643,888	-	328,104	(172,043)
Net different between projected and actual investment earnings	-	(13,480,258)	4,353	-
Change in proportionate share	438,756	(1,502,059)	206,814	(77,321)
Contributions subsequent to measurement date	551,487	-	52,013	-
	\$ 4,296,414	\$(14,982,317)	\$ 731,008	\$ (251,113)

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

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

The above amounts for deferred outflows of resources for contributions related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2022.

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

	FRS	HIS	Total
2022	\$ (2,033,081)	\$ 93,090	\$ (1,939,991)
2023	(2,311,943)	54,288	(2,257,655)
2024	(2,981,538)	90,764	(2,890,774)
2025	(3,759,449)	97,280	(3,662,169)
2026	(151,381)	75,642	(75,739)
Thereafter	2	16,818	16,820
Total	\$ (11,237,390)	\$ 427,882	\$ (10,809,508)

Actuarial assumptions:

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

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

Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.16% was used to determine the total pension for the program. This rate decreased from the prior year rate, which was 2.21%. Mortality assumptions for both plans were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 details.

Long-term expected rate of return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2021, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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

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

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

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

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

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.80%	\$ 17,279,725	\$ 3,863,924	\$ (7,350,182)
HIS	2.16%	4,827,335	4,175,546	3,641,550

(11) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the County's financial statements:

- (a) GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.
- (b) GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022.

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

(11) **Recent Accounting Pronouncements:** (Continued)

- (c) GASB issued Statement No. 101, Compensated Absences in June 2022. It aligns recognition and measurement guidance for all types of compensated absences under a unified model which will result in governments recognizing a liability that more appropriately reflects when they incur an obligation for compensated absences. The model also will lead to greater consistency in application and improved comparability across governments. Generally, a liability for leave that has not been used would be recognized if the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid or settled. The provisions in GASB 101 are effective for periods beginning after December 15, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

BAKER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
Revenues				
Taxes	\$ 4,301,464	\$ 4,301,464	\$ 4,176,832	\$ (124,632)
Permits and fees	124,250	124,250	139,959	15,709
Intergovernmental	4,836,391	4,836,391	6,442,243	1,605,852
Charges for services	13,954,096	14,362,493	13,133,899	(1,228,594)
Fines and forfeitures	141,565	141,565	154,754	13,189
Investment income	18,399	18,399	23,032	4,633
Miscellaneous	101,250	101,250	460,250	359,000
Total revenues	<u>23,477,415</u>	<u>23,885,812</u>	<u>24,530,969</u>	<u>645,157</u>
Expenditures				
Current:				
General government	4,865,306	4,987,173	4,564,761	422,412
Public safety	17,534,999	17,821,817	16,760,044	1,061,773
Physical environment	186,755	186,755	152,717	34,038
Economic environment	-	-	76,110	(76,110)
Human services	839,187	839,187	821,349	17,838
Culture and recreation	500,020	465,020	298,150	166,870
Court related	1,013,278	1,013,278	1,004,199	9,079
Capital outlay	234,703	234,703	1,224,722	(990,019)
Debt service:				
Principal retirement	-	-	171,540	(171,540)
Interest and fiscal charges	-	-	11,054	(11,054)
Total expenditures	<u>25,174,248</u>	<u>25,547,933</u>	<u>25,084,646</u>	<u>463,287</u>
Excess (deficiency) of revenues over expenditures	<u>(1,696,833)</u>	<u>(1,662,121)</u>	<u>(553,677)</u>	<u>1,108,444</u>
Other financing sources (uses)				
Issuance of debt	-	-	222,704	222,704
Transfers in	42,843	42,843	4,656,070	4,613,227
Transfers out	(3,417,507)	(3,336,407)	(2,368,800)	967,607
Appropriations to constitutional officers	4,378,008	4,378,008	-	(4,378,008)
Reversions from constitutional officers	28,381	26,154	-	(26,154)
Total other financing sources (uses)	<u>1,031,725</u>	<u>1,110,598</u>	<u>2,509,974</u>	<u>1,399,376</u>
Net change in fund balances	<u>(665,108)</u>	<u>(551,523)</u>	<u>1,956,297</u>	<u>1,399,376</u>
Fund balances, beginning of year	9,955,952	9,955,952	9,955,952	-
Fund balances, end of year	<u>\$ 9,290,844</u>	<u>\$ 9,404,429</u>	<u>\$ 11,912,249</u>	<u>\$ 1,399,376</u>

The accompanying note to schedules of revenues, expenditures, and changes in fund balance - budgetary information is an integral part of this schedule.

BAKER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COUNTY TRANSPORTATION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 969,387	\$ 969,387	\$ 1,237,485	\$ 268,098
Intergovernmental	1,163,049	1,163,049	1,310,956	147,907
Investment income	19,912	19,912	7,063	(12,849)
Miscellaneous	25,000	25,000	50,119	25,119
Total revenues	2,177,348	2,177,348	2,605,623	428,275
Expenditures				
Current:				
Transportation	2,753,975	2,753,975	2,265,106	488,869
Capital outlay	86,740	86,740	29,658	57,082
Debt service:				
Principal retirement	174,595	174,595	165,080	9,515
Interest and fiscal charges	-	-	43,164	(43,164)
Total expenditures	3,015,310	3,015,310	2,503,008	512,302
Net change in fund balances	(837,962)	(837,962)	102,615	940,577
Fund balances, beginning of year	2,773,644	2,773,644	2,773,644	-
Fund balances, end of year	\$ 1,935,682	\$ 1,935,682	\$ 2,876,259	\$ 940,577

The accompanying note to schedules of revenues, expenditures, and changes in fund balance - budgetary information is an integral part of this schedule.

BAKER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD PAVING FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 17,150,313	\$ 18,927,921	\$ 4,215,788	\$ (14,712,133)
Expenditures				
Current:				
Transportation	6,464,013	7,100,463	343,041	6,757,422
Capital outlay	10,686,300	11,827,458	3,854,027	7,973,431
Total expenditures	17,150,313	18,927,921	4,197,068	14,730,853
Net change in fund balances	-	-	18,720	18,720
Fund balances, beginning of year	507,419	507,419	507,419	-
Fund balances, end of year	<u>\$ 507,419</u>	<u>\$ 507,419</u>	<u>\$ 526,139</u>	<u>\$ 18,720</u>

The accompanying note to schedules of revenues, expenditures, and changes in fund balance - budgetary information is an integral part of this schedule.

BAKER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FINE AND FORFEITURE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget -
				Positive
				(Negative)
Revenues				
Taxes	\$ 4,754,740	\$ 4,754,740	\$ 5,812,999	\$ 1,058,259
Intergovernmental	245,007	300,847	-	(300,847)
Fines and forfeitures	300	300	245	(55)
Investment income	500	500	2,641	2,141
Miscellaneous	17,000	17,000	57,427	40,427
Total revenues	<u>5,017,547</u>	<u>5,073,387</u>	<u>5,873,312</u>	<u>799,925</u>
Expenditures				
Current:				
General government	10,000	10,000	-	10,000
Public safety	3,265,513	3,321,353	2,890,018	431,335
Total expenditures	<u>3,275,513</u>	<u>3,331,353</u>	<u>2,890,018</u>	<u>441,335</u>
Excess (deficiency) of revenues over expenditures	<u>1,742,034</u>	<u>1,742,034</u>	<u>2,983,294</u>	<u>1,241,260</u>
Other financing sources (uses)				
Transfers in	2,948,038	2,948,038	2,000,000	(948,038)
Transfers out	(4,690,072)	(4,690,072)	(4,689,068)	1,004
Total other financing sources (uses)	<u>(1,742,034)</u>	<u>(1,742,034)</u>	<u>(2,689,068)</u>	<u>(947,034)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>294,226</u>	<u>294,226</u>
Fund balances, beginning of year	(30,002)	(30,002)	(30,002)	-
Fund balances, end of year	<u>\$ (30,002)</u>	<u>\$ (30,002)</u>	<u>\$ 264,224</u>	<u>\$ 294,226</u>

The accompanying note to schedules of revenues, expenditures, and changes in fund balance - budgetary information is an integral part of this schedule.

BAKER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SHIP FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
Revenues				
Intergovernmental	\$ -	\$ 700,000	\$ 425,092	\$ (274,908)
Investment income	850	850	1,585	735
Total revenues	<u>850</u>	<u>700,850</u>	<u>426,677</u>	<u>(274,173)</u>
Expenditures				
Current:				
Economic environment	297,000	997,000	168,254	828,746
Human services	275,768	35,000	258,423	(223,423)
Total expenditures	<u>572,768</u>	<u>1,032,000</u>	<u>426,677</u>	<u>605,323</u>
Net change in fund balances	<u>(571,918)</u>	<u>(331,150)</u>	<u>-</u>	<u>331,150</u>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ (571,918)</u>	<u>\$ (331,150)</u>	<u>\$ -</u>	<u>\$ 331,150</u>

The accompanying note to schedules of revenues, expenditures, and changes in fund balance - budgetary information is an integral part of this schedule.

BAKER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CARES ACT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
Revenues				
Intergovernmental	\$ -	\$ 1,000,000	\$ 2,653,503	\$ 1,653,503
Investment income	-	-	2,562	2,562
Total revenues	<u>-</u>	<u>1,000,000</u>	<u>2,656,065</u>	<u>1,656,065</u>
Expenditures				
Current:				
Human services	-	1,000,000	2,546,695	(1,546,695)
Capital outlay	-	-	109,370	(109,370)
Total expenditures	<u>-</u>	<u>1,000,000</u>	<u>2,656,065</u>	<u>(1,656,065)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedules of revenues, expenditures, and changes in fund balance - budgetary information is an integral part of this schedule.

BAKER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ARPA FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Final Budget - Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 2,836,850	\$ -	\$ (2,836,850)
Investment income	-	-	-	-
Total revenues	<u>-</u>	<u>2,836,850</u>	<u>-</u>	<u>(2,836,850)</u>
Expenditures				
Current:				
Public safety	-	2,836,850	-	2,836,850
Total expenditures	<u>-</u>	<u>2,836,850</u>	<u>-</u>	<u>2,836,850</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedules of revenues, expenditures, and changes in fund balance - budgetary information is an integral part of this schedule.

BAKER COUNTY, FLORIDA
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
SEPTEMBER 30, 2021

Note to Budgetary Comparison Schedules:

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

Expenditures exceed appropriations in the CARES Act Fund by \$1,673,563.

BAKER COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEAR AS OF SEPTEMBER 30
(UNAUDITED)

	For the Plan Year Ending June 30,						
	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)							
Proportion of the net pension liability	0.051151621%	0.055667836%	0.054654622%	0.055003836%	0.054897926%	0.055978745%	0.056326104%
Proportionate share of the net pension liability	\$ 3,863,924	\$ 24,127,261	\$ 18,822,291	\$ 16,657,441	\$ 16,238,437	\$ 14,134,677	\$ 7,275,272
Covered payroll	12,053,539	11,639,205	10,922,406	10,652,133	10,051,718	9,991,268	10,028,017
Proportionate share of the net pension liability as a percentage of its covered payroll	32.06%	207.29%	172.33%	156.38%	161.55%	143.32%	72.55%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program (HIS)							
Proportion of the net pension liability	0.034040228%	0.033528808%	0.032651738%	0.032606414%	0.031526930%	0.031886264%	0.033689953%
Proportionate share of the net pension liability	\$ 4,175,546	\$ 4,093,813	\$ 3,653,403	\$ 3,451,099	\$ 3,371,004	\$ 3,716,212	\$ 3,435,846
Covered payroll	12,053,539	11,639,205	10,922,406	10,652,133	10,051,718	9,991,268	10,028,017
Proportionate share of the net pension liability as a percentage of its covered payroll	34.64%	35.17%	33.45%	32.40%	33.54%	37.68%	34.26%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

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

BAKER COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEAR AS OF SEPTEMBER 30
(UNAUDITED)

	For the Plan Year Ending June 30,						
	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)							
Contractually required contribution	\$ 1,948,656	\$ 1,849,596	\$ 1,694,688	\$ 1,567,565	\$ 1,538,209	\$ 1,365,131	\$ 1,373,194
Contributions in relation to the contractually required contribution	(1,948,656)	(1,849,596)	(1,694,688)	(1,567,565)	(1,538,209)	(1,365,131)	(1,373,194)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 12,053,539	\$ 10,922,406	\$ 10,922,406	\$ 10,652,133	\$ 10,051,718	\$ 9,991,268	\$ 10,028,017
Contributions as a percentage of covered-employee payroll	16.17%	16.93%	15.52%	14.72%	15.30%	13.66%	13.57%
Health Insurance Subsidy Program (HIS)							
Contractually required contribution	\$ 200,089	\$ 193,211	\$ 181,312	\$ 176,825	\$ 166,859	\$ 163,437	\$ 138,657
Contributions in relation to the contractually required contribution	(200,089)	(193,211)	(181,312)	(176,825)	(166,859)	(163,437)	(138,657)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 12,053,539	\$ 10,922,406	\$ 10,922,406	\$ 10,652,133	\$ 10,051,718	\$ 9,991,268	\$ 10,028,017
Contributions as a percentage of covered-employee payroll	1.66%	1.77%	1.66%	1.66%	1.66%	1.66%	1.37%

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

SUPPLEMENTAL INFORMATION

**BAKER COUNTY, FLORIDA
COMBINING BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2021**

	<u>BCC</u>	<u>Sheriff</u>	<u>Property Appraiser</u>	<u>Supervisor of Elections</u>	<u>Tax Collector</u>	<u>Clerk of Courts</u>	<u>Subtotals</u>	<u>Interfund Eliminations</u>	<u>Total General Fund</u>
ASSETS									
Cash and cash equivalents	\$ 10,013,394	\$ 1,300,179	\$ 40,726	\$ 14,949	\$ 140,649	\$ 538,273	\$ 12,048,170	\$ -	\$ 12,048,170
Investments	35,039	-	-	-	-	-	35,039	-	35,039
Receivables, net	252,899	30,756	-	-	-	50	283,705	-	283,705
Due from other governments	930,076	254,642	-	-	-	34,188	1,218,906	-	1,218,906
Due from other funds	295,012	-	-	-	-	-	295,012	(295,012)	-
Prepaid items	-	29,336	-	-	-	-	29,336	-	29,336
Total Assets	<u>\$ 11,526,420</u>	<u>\$ 1,614,913</u>	<u>\$ 40,726</u>	<u>\$ 14,949</u>	<u>\$ 140,649</u>	<u>\$ 572,511</u>	<u>\$ 13,910,168</u>	<u>\$ (295,012)</u>	<u>\$ 13,615,156</u>
LIABILITIES									
Accounts payable and accrued liabilities	\$ 174,447	\$ 912,884	\$ -	\$ 6,046	\$ 150	\$ 50,136	\$ 1,143,663	\$ -	\$ 1,143,663
Due to other governments	-	-	3,442	-	-	47,937	51,379	-	51,379
Due to other funds	-	6,916	37,284	8,903	140,499	106,099	299,701	(295,012)	4,689
Due to component unit	-	503,176	-	-	-	-	503,176	-	503,176
Unearned revenue	-	-	-	-	-	-	-	-	-
Total liabilities	<u>174,447</u>	<u>1,422,976</u>	<u>40,726</u>	<u>14,949</u>	<u>140,649</u>	<u>204,172</u>	<u>1,997,919</u>	<u>(295,012)</u>	<u>1,702,907</u>
FUND BALANCES									
Nonspendable:									
Prepaid items	-	29,336	-	-	-	-	29,336	-	29,336
Assigned to:									
Jail operations	-	162,601	-	-	-	-	162,601	-	162,601
Court operations	-	-	-	-	-	368,339	368,339	-	368,339
Subsequent year's budget	388,207	-	-	-	-	-	388,207	-	388,207
Unassigned	10,963,766	-	-	-	-	-	10,963,766	-	10,963,766
Total fund balances	<u>11,351,973</u>	<u>191,937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>368,339</u>	<u>11,912,249</u>	<u>-</u>	<u>11,912,249</u>
Total Liabilities and Fund Balances	<u>\$ 11,526,420</u>	<u>\$ 1,614,913</u>	<u>\$ 40,726</u>	<u>\$ 14,949</u>	<u>\$ 140,649</u>	<u>\$ 572,511</u>	<u>\$ 13,910,168</u>	<u>\$ (295,012)</u>	<u>\$ 13,615,156</u>

See accompanying notes to financial statements.

BAKER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	BCC	Sheriff	Property Appraiser	Supervisor of Elections	Tax Collector	Clerk of Courts	Subtotals	Interfund Eliminations	Total General Fund
Revenues									
Taxes	\$ 4,176,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,176,832	\$ -	\$ 4,176,832
Permits and fees	139,959	-	-	-	-	-	139,959	-	139,959
Intergovernmental	5,185,844	911,032	-	-	-	345,367	6,442,243	-	6,442,243
Charges for services	1,157,562	10,607,751	92,749	-	763,435	512,402	13,133,899	-	13,133,899
Fines and forfeitures	23,187	-	-	-	-	131,567	154,754	-	154,754
Investment income	20,039	418	-	-	350	2,225	23,032	-	23,032
Miscellaneous	175,211	281,935	-	-	-	3,104	460,250	-	460,250
Total revenues	10,878,634	11,801,136	92,749	-	763,785	994,665	24,530,969	-	24,530,969
Expenditures									
Current:									
General government	1,987,509	-	712,629	562,502	851,591	450,530	4,564,761	-	4,564,761
Public safety	1,794,487	14,965,557	-	-	-	-	16,760,044	-	16,760,044
Physical environment	152,717	-	-	-	-	-	152,717	-	152,717
Economic environment	76,110	-	-	-	-	-	76,110	-	76,110
Human services	821,349	-	-	-	-	-	821,349	-	821,349
Culture and recreation	298,150	-	-	-	-	-	298,150	-	298,150
Court related	834	322,218	-	-	-	681,147	1,004,199	-	1,004,199
Capital outlay	258,466	966,256	-	-	-	-	1,224,722	-	1,224,722
Debt service:									
Principal retirement	57,869	113,671	-	-	-	-	171,540	-	171,540
Interest and fiscal charges	4,364	6,690	-	-	-	-	11,054	-	11,054
Total expenditures	5,451,855	16,374,392	712,629	562,502	851,591	1,131,677	25,084,646	-	25,084,646
Excess (deficiency) of revenues over expenditures	5,426,779	(4,573,256)	(619,880)	(562,502)	(87,806)	(137,012)	(553,677)	-	(553,677)
Other financing sources (uses)									
Issuance of debt	222,704	-	-	-	-	-	222,704	-	222,704
Transfers in	3,370	-	-	-	-	18,480	21,850	4,634,220	4,656,070
Transfers out	(2,368,800)	-	-	-	-	-	(2,368,800)	-	(2,368,800)
Appropriations to constitutional officers	(1,875,340)	4,689,068	657,164	569,583	228,305	365,440	4,634,220	(4,634,220)	-
Reversions from constitutional officers	293,190	(2,227)	(37,284)	(7,081)	(140,499)	(106,099)	-	-	-
Total other financing sources (uses)	(3,724,876)	4,686,841	619,880	562,502	87,806	277,821	2,509,974	-	2,509,974
Net change in fund balances	1,701,903	113,585	-	-	-	140,809	1,956,297	-	1,956,297
Fund balances, beginning of year	9,650,070	78,352	-	-	-	227,530	9,955,952	-	9,955,952
Fund balances, end of year	\$ 11,351,973	\$ 191,937	\$ -	\$ -	\$ -	\$ 368,339	\$ 11,912,249	\$ -	\$ 11,912,249

See accompanying notes to financial statements.

**BAKER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Fire	National Forest Title III	EMS Grant	Health Reimbursement	Civic Center	Law Library Trust	Legal Aid Trust	Juvenile Trust	Crime Prevention Trust	Solid Waste	Alcohol and Drug Abuse Trust	Court Facility	Drivers Ed Trust	Special Law Enforcement Trust	Shoals Park	Boating Improvement
ASSETS																
Equity in pooled cash and cash equivalents	\$ (142,570)	\$ 146,618	\$ 13,383	\$ 345,838	\$ 771,621	\$ 4	\$ 1,451	\$ 4	\$ 40,022	\$ 64,606	\$ 37,704	\$ 103,677	\$ 966	\$ 1,235	\$ 206,725	\$ 65,104
Receivables, net	13,564	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governments	811,949	-	-	-	-	-	-	-	-	-	-	-	-	-	-	92,157
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 682,943</u>	<u>\$ 146,618</u>	<u>\$ 13,383</u>	<u>\$ 345,838</u>	<u>\$ 771,621</u>	<u>\$ 4</u>	<u>\$ 1,451</u>	<u>\$ 4</u>	<u>\$ 40,022</u>	<u>\$ 64,606</u>	<u>\$ 37,704</u>	<u>\$ 103,677</u>	<u>\$ 966</u>	<u>\$ 1,235</u>	<u>\$ 206,725</u>	<u>\$ 157,261</u>
LIABILITIES																
Accounts payable and accrued liabilities	\$ 216,078	\$ 1,540	\$ -	\$ -	\$ -	\$ -	\$ 1,947	\$ -	\$ -	\$ 35,356	\$ -	\$ 990	\$ 966	\$ -	\$ 5,629	\$ -
Total liabilities	<u>216,078</u>	<u>1,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,947</u>	<u>-</u>	<u>-</u>	<u>35,356</u>	<u>-</u>	<u>990</u>	<u>966</u>	<u>-</u>	<u>5,629</u>	<u>-</u>
FUND BALANCES																
Restricted for:																
Health reimbursements	-	-	-	345,838	-	-	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-	-	-	-	-	-	1,235	-	-
Fire and rescue	466,865	-	13,383	-	-	-	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	201,096	157,261
Physical environment	-	145,078	-	-	-	-	-	-	-	29,250	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	37,704	-	-	-	-	-
Law library	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-
Juvenile program	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-
Crime prevention	-	-	-	-	-	-	-	-	40,022	-	-	-	-	-	-	-
Court costs	-	-	-	-	-	-	-	-	-	-	-	102,687	-	-	-	-
Equitable sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	771,621	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(496)	-	-	-	-	-	-	-	-	-
Total fund balances	<u>466,865</u>	<u>145,078</u>	<u>13,383</u>	<u>345,838</u>	<u>771,621</u>	<u>4</u>	<u>(496)</u>	<u>4</u>	<u>40,022</u>	<u>29,250</u>	<u>37,704</u>	<u>102,687</u>	<u>-</u>	<u>1,235</u>	<u>201,096</u>	<u>157,261</u>
Total Liabilities and Fund Balances	<u>\$ 682,943</u>	<u>\$ 146,618</u>	<u>\$ 13,383</u>	<u>\$ 345,838</u>	<u>\$ 771,621</u>	<u>\$ 4</u>	<u>\$ 1,451</u>	<u>\$ 4</u>	<u>\$ 40,022</u>	<u>\$ 64,606</u>	<u>\$ 37,704</u>	<u>\$ 103,677</u>	<u>\$ 966</u>	<u>\$ 1,235</u>	<u>\$ 206,725</u>	<u>\$ 157,261</u>

See accompanying notes to financial statements.

**BAKER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	Court Innovations Trust	12.50 SC	Equitable Sharing	State Court Grant	Impact Fees	Clerk Records Modernization	Sheriff 911	Sheriff Special Law	Sheriff Inmate Welfare	Sheriff Second Dollar	Sheriff School Crossing Guards	Sheriff Emergency Management	Total Nonmajor Governmental Funds
ASSETS													
Equity in pooled cash and cash equivalents	\$ 172,206	\$ 5,200	\$ 117,791	\$ -	\$ 46,720	\$ 243,020	\$ 62,595	\$ 5	\$ 454,550	\$ 869	\$ 93,974	\$ 91,210	\$ 2,944,528
Receivables, net	-	-	-	-	-	-	-	-	76,279	-	-	-	89,843
Due from other governments	-	-	-	-	-	-	111,743	-	-	360	-	103,566	1,119,775
Due from other funds	-	-	4,689	-	-	-	-	-	-	-	-	-	4,689
Total Assets	<u>\$ 172,206</u>	<u>\$ 5,200</u>	<u>\$ 122,480</u>	<u>\$ -</u>	<u>\$ 46,720</u>	<u>\$ 243,020</u>	<u>\$ 174,338</u>	<u>\$ 5</u>	<u>\$ 530,829</u>	<u>\$ 1,229</u>	<u>\$ 93,974</u>	<u>\$ 194,776</u>	<u>\$ 4,158,835</u>
LIABILITIES													
Accounts payable and accrued liabilities	\$ -	\$ 2,562	\$ -	\$ -	\$ 46,720	\$ -	\$ 183	\$ 5	\$ 16,972	\$ -	\$ 33	\$ 9,819	\$ 338,800
Total liabilities	<u>-</u>	<u>2,562</u>	<u>-</u>	<u>-</u>	<u>46,720</u>	<u>-</u>	<u>183</u>	<u>5</u>	<u>16,972</u>	<u>-</u>	<u>33</u>	<u>9,819</u>	<u>338,800</u>
FUND BALANCES													
Restricted for:													
Health reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	345,838
Law enforcement	-	-	-	-	-	-	174,155	-	513,857	1,229	93,941	184,957	969,374
Fire and rescue	-	-	-	-	-	-	-	-	-	-	-	-	480,248
Recreation	-	-	-	-	-	-	-	-	-	-	-	-	358,357
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	174,328
Human services	-	-	-	-	-	-	-	-	-	-	-	-	37,704
Law library	-	-	-	-	-	-	-	-	-	-	-	-	4
Juvenile program	-	-	-	-	-	-	-	-	-	-	-	-	4
Crime prevention	-	-	-	-	-	-	-	-	-	-	-	-	40,022
Court costs	172,206	2,638	-	-	-	243,020	-	-	-	-	-	-	520,551
Equitable sharing	-	-	122,480	-	-	-	-	-	-	-	-	-	122,480
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	771,621
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-	(496)
Total fund balances	<u>172,206</u>	<u>2,638</u>	<u>122,480</u>	<u>-</u>	<u>-</u>	<u>243,020</u>	<u>174,155</u>	<u>-</u>	<u>513,857</u>	<u>1,229</u>	<u>93,941</u>	<u>184,957</u>	<u>3,820,035</u>
Total Liabilities and Fund Balances	<u>\$ 172,206</u>	<u>\$ 5,200</u>	<u>\$ 122,480</u>	<u>\$ -</u>	<u>\$ 46,720</u>	<u>\$ 243,020</u>	<u>\$ 174,338</u>	<u>\$ 5</u>	<u>\$ 530,829</u>	<u>\$ 1,229</u>	<u>\$ 93,974</u>	<u>\$ 194,776</u>	<u>\$ 4,158,835</u>

See accompanying notes to financial statements.

BAKER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Fire	National Forest Title III	EMS Grant	Health Reimbursement	Civic Center	Law Library Trust	Legal Aid Trust	Juvenile Trust	Crime Prevention Trust	Solid Waste	Alcohol and Drug Abuse Trust	Court Facility	Drivers Ed Trust	Special Law Enforcement Trust	Shoals Park	Boating Improvement
REVENUES																
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 100,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	811,949	18,474	111,072	-	-	-	-	-	-	93,750	-	-	-	-	-	21,665
Charges for services	804,179	-	-	-	-	-	-	-	-	481,367	-	-	-	-	20,999	-
Fines and forfeitures	-	-	-	-	-	7,428	7,442	7,435	12,620	-	2,805	39,584	6,387	-	-	-
Investment income	1,067	411	13	900	1,756	10	-	11	80	139	23	246	-	4	577	515
Miscellaneous	6,193	-	-	34,267	-	-	-	-	-	9,600	-	-	-	-	10,799	-
Total revenues	1,623,388	18,885	111,085	35,167	102,538	7,438	7,442	7,446	12,700	584,856	2,828	39,830	6,387	4	32,375	22,180
EXPENDITURES																
Current:																
General government	-	-	-	126,609	-	-	7,442	-	-	-	-	-	6,387	-	-	-
Public safety	440,972	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	795,465	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	62,178	-	-	15,850	-	-	-	-	-	-	-	-	-	101,074	-
Court related	-	-	-	-	-	-	-	-	-	-	-	39,887	-	-	-	-
Capital outlay	987,586	-	92,917	-	-	-	-	-	-	12,451	-	-	-	-	5,508	12,301
Debt service:																
Principal retirement	95,336	-	-	-	-	-	-	-	-	59,923	-	-	-	-	-	-
Interest and fiscal charges	22,779	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,546,673	62,178	92,917	126,609	15,850	-	7,442	-	-	867,839	-	39,887	6,387	-	106,582	12,301
Excess (deficiency) of revenues over expenditures	76,715	(43,293)	18,168	(91,442)	86,688	7,438	-	7,446	12,700	(282,983)	2,828	(57)	-	4	(74,207)	9,879
Other financing sources (uses)																
Transfers in	-	-	-	-	-	-	-	-	-	350,000	-	-	-	-	-	-
Transfers out	-	-	-	-	(3,023)	(7,434)	-	(7,442)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(3,023)	(7,434)	-	(7,442)	-	350,000	-	-	-	-	-	-
Net change in fund balances	76,715	(43,293)	18,168	(91,442)	83,665	4	-	4	12,700	67,017	2,828	(57)	-	4	(74,207)	9,879
Fund balances, beginning of year	390,150	188,371	(4,785)	437,280	687,956	-	(496)	-	27,322	(37,767)	34,876	102,744	-	1,231	275,303	147,382
Fund balances, end of year	\$ 466,865	\$ 145,078	\$ 13,383	\$ 345,838	\$ 771,621	\$ 4	\$ (496)	\$ 4	\$ 40,022	\$ 29,250	\$ 37,704	\$ 102,687	\$ -	\$ 1,235	\$ 201,096	\$ 157,261

See accompanying notes to financial statements.

BAKER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Court Innovations Trust	12.50 SC	Equitable Sharing	State Court Grant	Impact Fees	Clerk Records Modernization	Sheriff 911	Sheriff Special Law	Sheriff Inmate Welfare	Sheriff Second Dollar	Sheriff School Crossing Guards	Sheriff Emergency Management	Total Nonmajor Governmental Funds
REVENUES													
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,782
Permits and fees	-	-	-	-	-	-	160,597	-	-	-	-	-	160,597
Intergovernmental	-	-	4,550	-	-	-	76,665	-	-	-	79,757	158,114	1,375,996
Charges for services	-	-	-	-	3,368	52,118	-	-	497,135	-	-	-	1,859,166
Fines and forfeitures	7,450	11,796	-	-	-	35,176	-	-	-	5,358	-	-	143,481
Investment income	371	6	204	-	2	122	83	74	-	23	190	300	7,127
Miscellaneous	-	-	-	-	-	-	-	13,131	2,642	-	-	55	76,687
Total revenues	7,821	11,802	4,754	-	3,370	87,416	237,345	13,205	499,777	5,381	79,947	158,469	3,723,836
EXPENDITURES													
Current:													
General government	-	-	-	-	-	-	-	-	-	-	-	-	140,438
Public safety	-	30,800	8,516	-	-	-	186,914	8,516	429,073	12,403	61,436	166,468	1,345,098
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	795,465
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-	179,102
Court related	3,453	-	-	-	-	24,441	-	-	-	-	-	-	67,781
Capital outlay	-	-	-	-	-	-	-	-	41,060	-	-	46,038	1,197,861
Debt service:													
Principal retirement	-	-	-	-	-	-	-	-	-	-	-	-	155,259
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	22,779
Total expenditures	3,453	30,800	8,516	-	-	24,441	186,914	8,516	470,133	12,403	61,436	212,506	3,903,783
Excess (deficiency) of revenues over expenditures	4,368	(18,998)	(3,762)	-	3,370	62,975	50,431	4,689	29,644	(7,022)	18,511	(54,037)	(179,947)
Other financing sources (uses)													
Transfers in	14,876	18,800	4,689	-	-	-	-	-	-	-	-	57,871	446,236
Transfers out	-	-	-	-	(3,370)	(18,480)	-	(4,689)	-	-	-	-	(44,438)
Total other financing sources (uses)	14,876	18,800	4,689	-	(3,370)	(18,480)	-	(4,689)	-	-	-	57,871	401,798
Net change in fund balances	19,244	(198)	927	-	-	44,495	50,431	-	29,644	(7,022)	18,511	3,834	221,851
Fund balances, beginning of year	152,962	2,836	121,553	-	-	198,525	123,724	-	484,213	8,251	75,430	181,123	3,598,184
Fund balances, end of year	\$ 172,206	\$ 2,638	\$ 122,480	\$ -	\$ -	\$ 243,020	\$ 174,155	\$ -	\$ 513,857	\$ 1,229	\$ 93,941	\$ 184,957	\$ 3,820,035

See accompanying notes to financial statements.

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

	Clerk of Circuit Court	Sheriff	Tax Collector	Total Custodial Funds
ASSETS				
Cash and equivalents	\$ 268,493	\$ 272,346	\$ 384,558	\$ 925,397
Total assets	<u>\$ 268,493</u>	<u>\$ 272,346</u>	<u>\$ 384,558</u>	<u>\$ 925,397</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ -	\$ -	\$ 654	\$ 654
Deposits held in escrow	-	-	2,690	2,690
Due to other governments	-	-	378,403	378,403
Due to others	268,493	85,513	2,811	356,817
Total liabilities	<u>\$ 268,493</u>	<u>\$ 85,513</u>	<u>\$ 384,558</u>	<u>\$ 738,564</u>
NET POSITION	<u>\$ -</u>	<u>\$ 186,833</u>	<u>\$ -</u>	<u>\$ 186,833</u>

See accompanying notes to financial statements.

BAKER COUNTY, FLORIDA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Clerk of Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Total Custodial Funds</u>
Additions				
Taxes	\$ -	\$ -	\$ 22,386,089	\$ 22,386,089
Seizures	-	12,600	-	12,600
Permits, fees, and special assessments	-	-	1,107,908	1,107,908
Deposits and trusts	-	1,021,579	270,106	1,291,685
Fines and forfeitures	-	6,060	-	6,060
Miscellaneous	-	117	18,968	19,085
Court related	268,493	-	-	268,493
Total additions	<u>268,493</u>	<u>1,040,356</u>	<u>23,783,071</u>	<u>25,091,920</u>
Deductions				
Payments to individuals	-	20,632	908,929	929,561
Payments to other governments	-	3,799	14,681,488	14,685,287
Inmate services	-	875,266	-	875,266
Payments to other funds	-	3,806	8,192,654	8,196,460
Miscellaneous	-	5,776	-	5,776
Court related	268,493	-	-	268,493
Total deductions	<u>268,493</u>	<u>909,279</u>	<u>23,783,071</u>	<u>24,960,843</u>
Net change in fiduciary net position	<u>-</u>	<u>131,077</u>	<u>-</u>	<u>131,077</u>
Net position, beginning of year	-	55,756	-	55,756
Net position, end of year	<u>\$ -</u>	<u>\$ 186,833</u>	<u>\$ -</u>	<u>\$ 186,833</u>

See accompanying notes to financial statements.

BAKER COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal/State Grantor/Pass Through Grantor/Program Title	AL/ CSFA Number	Contract Number	Expenditures
FEDERAL AGENCY			
Department of the Interior			
Direct:			
Fish and Wildlife Service National Wildlife Refuge Grant	15.659	N/A	\$ 4,107
Payments in Lieu of Taxes	15.226	N/A	173,416
Total Department of the Interior			<u>177,523</u>
Department of Justice			
Direct:			
Public Safety Partnership and Community Policing Grant	16.710	N/A	12,640
Bulletproof Vest Partnership Program	16.607	N/A	1,588
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2020-JAGC-BAKE2-5R-114	32,157
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2021-JAGC-BAKE-2-Y5-178	10,860
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2021-JAGD-BAKE-1-4R-009	3,005
			<u>46,022</u>
COVID-19 Coronavirus Emergency Supplemental Funding	16.034	2020-CESF-BAKE-1-C9-086	87,253
COVID-19 Coronavirus Emergency Supplemental Funding	16.034	2021-CERF-BAKE-1-5A-008	47,900
			<u>135,153</u>
Passed through the Florida Attorney General			
Crime Victim Assistance	16.575	VOCA-2020-BAKER COUNTY SHERIFF'S OF-00656	43,495
Total Department of Justice			<u>238,898</u>
Department of Transportation			
Passed through the Florida Department of Transportation			
Highway Planning & Construction	20.205	G0634	596
Total Highway Planning and Construction Cluster			<u>596</u>
National Priority Safety Program	20.616	G1D90	32,678
Total National Priority Safety Programs Cluster			<u>32,678</u>
Total Department of Transportation			<u>33,274</u>
Department of Education			
Passed through Florida Department of Education			
Governor's Emergency Education Relief Fund	84.425C	96Y-1230J-1PG01	53,103
Total Department of Health and Human Services			<u>53,103</u>
Department of Homeland Security			
Passed through Florida Division of Emergency Management			
Emergency Management Performance Grant	97.042	G0012	43,513
Emergency Management Performance Grant	97.042	G0121	8,795
Total Department of Homeland Security			<u>52,308</u>
Department of the Treasury			
Passed through Florida Division of Emergency Management			
COVID-19 - Coronavirus Relief Fund	21.019	Y2300	2,653,503
Total Department of the Treasury			<u>2,653,503</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,208,609</u>

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

BAKER COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(CONTINUED)

Federal/State Grantor/Pass Through Grantor/Program Title	AL/ CSFA Number	Contract Number	Expenditures
STATE AGENCY			
Florida Department of Financial Services			
Direct:			
Volunteer Firefighter Grant Assistance Program	43.013	FM571	\$ 5,587
Volunteer Firefighter Grant Assistance Program	43.013	FM560	43,225
Volunteer Firefighter Grant Assistance Program	43.013	FM556	43,225
Total Volunteer Firefighter Grant Assistance Program			<u>92,037</u>
Grants & Aids-Local Government Fire Service Grant	43.009	FM552	811,949
Total Florida Department of Financial Services			<u>903,986</u>
Florida Department of Education			
Direct:			
Coach Aaron Feis Guardian Program	48.140	96Y-90210-1D001	11,812
Total Florida Department of Education			<u>11,812</u>
Florida Department of Economic Opportunity			
Direct:			
Economic Development Tax Refund, Tax Credit, and Grant Program	40.043	G0040	426,199
Total Florida Department of Economic Opportunity			<u>426,199</u>
Florida Department of State			
Direct:			
State Aid to Libraries	45.030	1L160	42,083
Total Florida Department of State			<u>42,083</u>
Florida Department of Transportation			
Direct:			
County Incentive Grant Program	55.008	G0634	356,184
County Incentive Grant Program	55.008	G1850	11,775
Total County Incentive Grant Program			<u>367,959</u>
Transportation Regional Incentive Program	55.026	G1850	35,325
Small County Outreach Program	55.009	G0T77	41,018
Small County Outreach Program	55.009	GY094	115,874
Small County Outreach Program	55.009	G0L19	312,452
Small County Outreach Program	55.009	G0J33	128,394
Small County Outreach Program	55.009	G1H13	7,728
Small County Outreach Program	55.009	G1253	187
Small County Outreach Program	55.009	G1E12	388,446
Total Small County Outreach Program			<u>994,099</u>
Small County Road Assistance Program	55.016	G0J33	306,931
Small County Road Assistance Program	55.016	G0T84	3,726
Small County Road Assistance Program	55.016	G1K51	1,990,461
Small County Road Assistance Program	55.016	G1254	92,002
Total Small County Road Assistance Program			<u>2,393,120</u>
Total Florida Department of Transportation			<u>3,790,503</u>
Florida Department of Health			
Direct:			
Emergency Medical Services Matching Grant	64.003	M9020	15,233
County Grant Awards	64.005	C9002	3,802
Total Florida Department of Health			<u>19,035</u>
Executive Office of the Governor			
Direct:			
Emergency Management Programs	31.063	A0123	105,806
Total Executive Office of the Governor			<u>105,806</u>
Florida Housing Finance Corporation			
Direct:			
State Housing Initiatives Partnership Program	40.901	N/A	425,092
Total Florida Housing Finance Corporation			<u>425,092</u>
Florida Department of Environmental Protection			
Direct:			
Small County Consolidated Grant	37.012	SC101	93,750
Total Florida Department of Environmental Protection			<u>93,750</u>
Florida Department of Management Services			
Direct:			
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	19-04-01	1,900
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	20-10-01	34,832
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	20-10-02	5,501
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	21-04-01	34,432
Total Department of Management Services			<u>76,665</u>
Florida Fish & Wildlife Commission			
Direct:			
Florida Boating Improvement Program	77.006	18067	12,301
Total Florida Fish & Wildlife Commission			<u>12,301</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 5,907,232</u>

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

BAKER COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the state grant activity of Baker County, Florida (the County), and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes, *Florida Single Audit Act*. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

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

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

(3) **Subrecipients:**

During the year ended September 30, 2021, the County provided no federal or state awards to subrecipients.

(4) **Contingency:**

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

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

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

OTHER REPORTS AND SCHEDULE

**BAKER COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

A. Summary of Auditors' Results:

Financial Statements:

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

Internal control over financial reporting:

Material weakness(es) identified? X yes no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

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

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

Auditee qualified as a low-risk auditee? yes X no

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

Identification of major Federal programs:

Assistance Listing Number	Program Name
21.019	Coronavirus Relief Fund

State Financial Assistance:

Internal control over major State projects:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

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

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

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

Identification of major State projects:

<u>CSFA Number</u>	<u>Program Name</u>
55.016	Small County Road Assistance Program
55.009	Small county Outreach Program Agreement
43.009	Grants & Aids-Local Government Fire Service Grants

B. Financial Statement Findings:

2021-001: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements

Criteria: Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The capability of management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure.

Condition: For the year ended September 30, 2021, various significant adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries. In addition, management did not retain an individual with expertise to oversee preparation of the financial statements.

Cause: Various internal balances were not adjusted for final year-end accrual adjustments at the start of audit fieldwork. In addition, management did not retain an individual with expertise to oversee preparation of the financial statements.

Effect: Financial statements would be materially misstated if significant adjustments were not made. In addition, management’s reliance on auditors for expertise in drafting the financial statements and related disclosures indicates a material weakness in the controls structure.

Recommendation: We recommend management select and apply the appropriate accounting principles to record year-end accrual basis adjustments to prepare the financial statements in accordance with generally accepted accounting principles. We recommend management retain or train individuals to assist in the preparation of the financial statements in accordance with GAAP.

2021-002: Internal Control Monitoring over EMS Billing System

Criteria: Internal controls over financial reporting should include the monitoring of certain internal control functions over services that are outsourced.

Condition: For the year ended September 30, 2021, the County contracted with an organization to perform billing services for its EMS billing and no SOC-1 for the company was available for review during the audit as the company had not procured one to date. The County did not install various internal controls needed to ensure proper billing and collection of EMS services.

Cause: Monitoring over the outsourced billing company was not performed during the fiscal year under audit.

Effect: Misappropriation of asset and a misstatement of the financial statements could occur if monitoring over the EMS services is not performed.

Recommendation: We recommend management develop internal controls to perform oversight over the activities of the outsourced EMS billing company and/or utilize a SOC-1 report from the outsourced EMS billing company and perform the complimentary user entity controls contained within that report.

- C. **Federal Program Findings and Questioned Costs:** None
- D. **State Project Findings and Questioned Costs:** None
- E. **Summary Schedule of Prior Audit Findings:** Not applicable as no prior year findings were reported as part of a single audit.
- F. **Corrective Action Plan:** See Management's Response to Findings as listed in the table of contents.



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

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

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

We have audited Baker County, Florida (the County)'s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and *Florida Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and major state projects for the year ended September 30, 2021. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program and State Project

In our opinion, Baker County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2021.

Report on Internal Control over Compliance

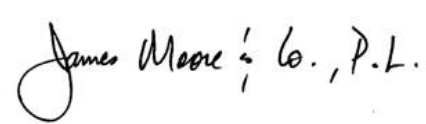
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types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

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

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

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

Daytona Beach, Florida
January 9, 2023

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Baker County, Florida (the County) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 9, 2023. Our report includes a reference to other auditors who audited the financial statements of the Baker County Corrections Management Corporation (BCCMC), as described in our report on the County's financial statements.

Because the County's management has not acquired an actuarial valuation to determine the amount of its OPEB (Other Postemployment Benefits) liability and has not presented such liability in its government-wide financial statements as required by accounting principles generally accepted in the United States of America, we issued a qualified opinion on the governmental activities. The impact of such departure from generally accepted accounting principles on the liabilities, net position and expenditures of the government-wide financial statements of the County is unknown.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002, that we consider to be material weaknesses.

Compliance and Other Matters

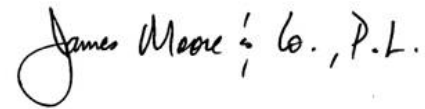
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Management's Response to Findings

Management's response to the findings identified in our audit is described in the accompanying Schedule of Prior Audit Findings/Management's Response to Current Audit Findings. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style and is contained within a thin black rectangular border.

Daytona Beach, Florida
January 9, 2023

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

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

Report on the Financial Statements

We have audited the financial statements of Baker County, Florida (the County), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 9, 2023. We did not audit the financial statements of the Baker County Corrections Management Corporation (the BCCMC), which is the County's discretely presented component unit. Those financial statements were audited by another auditor whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the BCCMC, are based solely on the report of the other auditor.

Because the County's management has not acquired an actuarial valuation to determine the amount of its OPEB (Other Postemployment Benefits) liability and has not presented such liability in its government-wide financial statements as required by accounting principles generally accepted in the United States of America, we issued a qualified opinion on the governmental activities. The impact of such departure from generally accepted accounting principles on the liabilities, net position and expenditures of the government-wide financial statements of the County is unknown.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance in Accordance with Chapter 10.550 Rules of the Florida Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated January 9, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. One finding (2021-001) remains uncorrected from the second preceding audit report. A full summary of the status of prior year findings follows:

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2020 Finding #	2019 Finding #
2021-001	2020-001	2019-002
2021-002	N/A	N/A
2021-003	2020-003	N/A
2021-004	2020-004	N/A

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the primary government and component unit of the reporting entity is disclosed in Note 1 of the basic financial statements. The County included the following component unit: Baker County Corrections Management Corporation.

Financial Condition and Management

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

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

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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 have the following recommendations:

2021-003 Budgetary Controls

During our audit, we noted funds were expended in excess of budgeted amounts due to a timing difference in CARES Act expenditures that were not factored as part of the budget process. Based upon that budget approach, the County's expenditures exceeded appropriations in the County CARES Act Fund by approximately \$1,670,000. We recommend the County budget on an accrual basis in order to ensure expenditures do not exceed appropriations.

2021-004 Solid Waste Fund

During our audit, we noted that the Solid Waste Fund required significant transfers from the General Fund to subsidize the operations of the Solid Waste fund. We recommend the County perform an analysis of the annual costs required to operate the Solid Waste fund and reduce the required level of subsidy required annually from the General Fund

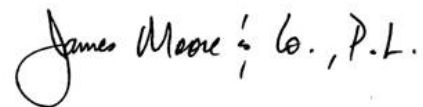
Management's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying Schedule of Prior Audit Findings/Management's Response to Current Audit Findings. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

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

Daytona Beach, Florida
January 9, 2023



James Moore & Co., P.L.



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

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

We have examined the compliance of Baker County, Florida (the County) with Section 365.172, Florida Statutes, *Emergency Communications Number "E911"*, Section 365.173, Florida Statutes, *Communications Number E911 System Fund*, and Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied with the aforementioned statutes, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the County's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

Daytona Beach, Florida
June 14, 2022

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



STACIE D. HARVEY
CLERK TO BOARD

Baker County Board of Commissioners

55 NORTH THIRD STREET
MACCLENNY, FLORIDA 32063
(904) 259-3613 • (904) 259-7610
www.bakercountyfl.org



CATHY RHODEN
CHAIRMAN

January 9, 2023

James Moore, CPA
121 Executive Circle
Daytona Beach, FL 32114-1180

This letter is in response to the Auditor’s Financial Statement findings for the Baker County Board of County Commissioner’s audit for the fiscal year ending September 30, 2021.

2021-001 Cash to Accrual Basis

In year 2021, the County had contracted with a new finance software. Due to the timeliness of the conversion and training process of the software system the year-end accrual adjustments were not accurately posted in accordance with generally accepted accounting principles. County Finance Director is currently taking corrective action on proper year-end procedures. Comptroller will review the financials for completeness.

Anticipated Completion Date: FY2023/FY2024 **Responsible Official:** Stacie Harvey

2021-002 Internal Monitoring over EMS Billing System

The County is working with the current EMS Billing Processor to build reports and develop a process to oversee daily billing and collection EMS services. EMS Billing Processor is aware of the importance of being SOC1 compliant to proceed a relationship with County.

Anticipated Completion Date: FY2023/FY2024 **Responsible Official:** Stacie Harvey

2021-003 Budgetary Controls

During 2021, the County had contracted with a new finance software. Due to the timeliness of the conversion and the training process of the software system the budgeted amounts and adjustments were not accurately posted; however, were noted on other forms of reconciliation.

Anticipated Completion Date: FY2023 **Responsible Official:** Stacie Harvey

2021-004 Solid Waste Fund

The County is continuously discussing professional analysis to propose a financial remedy, whether to keep the General Fund supplementing or to raise the Solid Waste Tax for this fund.

Anticipated Completion Date: To be determined **Responsible Official:** Stacie Harvey

If you have any questions, please contact me at 259-3121.

Sincerely,

Stacie D. Harvey

Baker County Clerk of Court
County Comptroller
339 E. Macclenny Ave.
Macclenny, FL 32063
Ph: (904) 259-3121
Fx: (904) 259-4176

JAMES CROFT
DISTRICT 1

JIMMY ANDERSON
DISTRICT 2

CATHY RHODEN
DISTRICT 3

JAMES G. BENNETT
DISTRICT 4

MARY HARTLEY
DISTRICT 5

“AN EQUAL OPPORTUNITY EMPLOYER”

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

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

SEPTEMBER 30, 2021

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INDEPENDENT AUDITORS' REPORT

The Honorable Scotty Rhoden, Sheriff,
Baker 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 Baker County Sheriff (the Office), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the Office as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Baker County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Baker County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

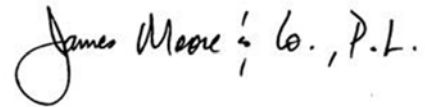
Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

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

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

Daytona Beach, Florida
January 9, 2023

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

	<u>General Fund</u>	<u>Inmate Welfare Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 1,300,179	\$ 454,550	\$ 248,653	\$ 2,003,382
Receivables, net	30,756	76,279	-	107,035
Due from other governments	254,642	-	215,669	470,311
Due from other funds	-	-	-	-
Prepaid items	29,336	-	-	29,336
Total Assets	<u>\$ 1,614,913</u>	<u>\$ 530,829</u>	<u>\$ 464,322</u>	<u>\$ 2,610,064</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 912,884	\$ 16,972	\$ 10,040	\$ 939,896
Due to other funds	-	-	-	-
Due to Board of County Commissioners	6,916	-	-	6,916
Due to component unit	503,176	-	-	503,176
Total liabilities	<u>1,422,976</u>	<u>16,972</u>	<u>10,040</u>	<u>1,449,988</u>
Fund Balances				
Nonspendable:				
Prepaid items	29,336	-	-	29,336
Restricted for:				
Public safety	-	513,857	454,282	968,139
Assigned for:				
Jail operations	162,601	-	-	162,601
Total fund balances	<u>191,937</u>	<u>513,857</u>	<u>454,282</u>	<u>1,160,076</u>
Total Liabilities and Fund Balances	<u>\$ 1,614,913</u>	<u>\$ 530,829</u>	<u>\$ 464,322</u>	<u>\$ 2,610,064</u>

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

BAKER COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>General Fund</u>	<u>Inmate Welfare Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Permits and fees	\$ -	\$ -	\$ 160,597	\$ 160,597
Intergovernmental	911,032	-	314,536	1,225,568
Charges for services	10,607,751	497,135	-	11,104,886
Fines and forfeitures	-	-	5,358	5,358
Investment income	418	-	670	1,088
Miscellaneous	281,935	2,642	13,186	297,763
Total revenues	<u>11,801,136</u>	<u>499,777</u>	<u>494,347</u>	<u>12,795,260</u>
Expenditures				
Current:				
Public safety	14,965,557	429,073	435,737	15,830,367
Court related	322,218	-	-	322,218
Capital outlay	966,256	41,060	46,038	1,053,354
Debt service:				
Principal	113,671	-	-	113,671
Interest and fiscal charges	6,690	-	-	6,690
Total expenditures	<u>16,374,392</u>	<u>470,133</u>	<u>481,775</u>	<u>17,326,300</u>
Excess (deficiency) of revenues over expenditures	<u>(4,573,256)</u>	<u>29,644</u>	<u>12,572</u>	<u>(4,531,040)</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	4,689,068	-	57,871	4,746,939
Reversions to Board of County Commissioners	(2,227)	-	(4,689)	(6,916)
Total other financing sources (uses)	<u>4,686,841</u>	<u>-</u>	<u>53,182</u>	<u>4,740,023</u>
Net change in fund balances	<u>113,585</u>	<u>29,644</u>	<u>65,754</u>	<u>208,983</u>
Fund balances, beginning of year	78,352	484,213	388,528	951,093
Fund balances, end of year	<u>\$ 191,937</u>	<u>\$ 513,857</u>	<u>\$ 454,282</u>	<u>\$ 1,160,076</u>

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

**BAKER COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Total Custodial Funds
Assets	
Cash and equivalents	\$ 272,346
Total assets	\$ 272,346
 Liabilities	
Due to others	\$ 85,513
Total liabilities	\$ 85,513
 Net Position	
Restricted for:	
Law enforcement	\$ 186,833
Total net position	\$ 186,833

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

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

	<u>Total Custodial Funds</u>
Additions:	
Seizures	\$ 12,600
Deposits and trusts	1,021,579
Fines and forfeitures	6,060
Miscellaneous	117
Total additions	<u>1,040,356</u>
 Deductions:	
Payments to individuals	20,632
Payments to other governments	3,799
Inmate services	875,266
Payments to Board of County Commissioners	123
Payments to other constitutional offices	3,683
Miscellaneous	5,776
Total deductions	<u>909,279</u>
Net change in fiduciary net position	<u>131,077</u>
Net position, beginning of year, as restated	55,756
Net position, end of year	<u><u>\$ 186,833</u></u>

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

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

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

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

(a) **Reporting entity**—The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Baker County, including the Office of the Sheriff, was established by Chapter 8516, Laws of Florida in 1921. The Office is an integral part of Baker County, the reporting entity for financial reporting purposes.

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

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

The Office reports the following major governmental funds:

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

911 Fund – This fund is used to account for the proceeds of 911 charges which are restricted as to their authorized use.

Inmate Welfare Fund – The Inmate Welfare Fund is a Special Revenue Fund is used to account for the funds that are generated by phone commissions and commissary sales. The profits can only be spent for the benefit of the inmates.

Additionally, the Office reports the following fiduciary fund type:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) **Investments:**

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

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

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

(4) **Risk Management:**

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

(5) **Capital Assets:**

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

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

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 666,277	\$ 775,366	\$ (739,120)	\$ 702,523	\$ 702,523

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

(7) Pension Plan:

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

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

BAKER COUNTY SHERIFF
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 911,032	\$ 911,032
Charges for services	11,441,427	11,844,057	10,607,751	(1,236,306)
Investment income	-	-	418	418
Miscellaneous	-	-	281,935	281,935
Total revenues	<u>11,441,427</u>	<u>11,844,057</u>	<u>11,801,136</u>	<u>(42,921)</u>
Expenditures				
Current:				
Public safety	15,827,351	16,114,169	14,965,557	1,148,612
Court related	303,144	303,144	322,218	(19,074)
Capital outlay	-	-	966,256	(966,256)
Debt service:				
Principal	-	-	113,671	(113,671)
Interest and fiscal charges	-	-	6,690	(6,690)
Total expenditures	<u>16,130,495</u>	<u>16,417,313</u>	<u>16,374,392</u>	<u>42,921</u>
Excess (deficiency) of revenues over expenditures	<u>(4,689,068)</u>	<u>(4,573,256)</u>	<u>(4,573,256)</u>	<u>-</u>
Other financing sources (uses)				
Transfers from external	-	-	-	-
Appropriations from Board of County Commissioners	4,689,068	4,689,068	4,689,068	-
Reversions to Board of County Commissioners	-	(2,227)	(2,227)	-
Total other financing sources (uses)	<u>4,689,068</u>	<u>4,686,841</u>	<u>4,686,841</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>113,585</u>	<u>113,585</u>	<u>-</u>
Fund balances, beginning of year	78,352	78,352	78,352	-
Fund balances, end of year	<u>\$ 78,352</u>	<u>\$ 191,937</u>	<u>\$ 191,937</u>	<u>\$ -</u>

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

BAKER COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - INMATE WELFARE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 519,546	\$ 499,777	\$ 497,135	\$ (2,642)
Miscellaneous	-	-	2,642	2,642
Total revenues	<u>519,546</u>	<u>499,777</u>	<u>499,777</u>	<u>-</u>
Expenditures				
Current:				
Public safety	519,546	470,133	429,073	41,060
Net change in fund balances	<u>-</u>	<u>29,644</u>	<u>29,644</u>	<u>-</u>
Fund balances, beginning of year	484,213	484,213	484,213	-
Fund balances, end of year	<u><u>\$ 484,213</u></u>	<u><u>\$ 513,857</u></u>	<u><u>\$ 513,857</u></u>	<u><u>\$ -</u></u>

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

**BAKER COUNTY SHERIFF
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds, with the exception of long-term debt issuance and related items. All annual appropriations lapse at fiscal year-end.

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

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

SUPPLEMENTARY INFORMATION

**BAKER COUNTY SHERIFF
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	911 Fund	Second Dollar Fund	School Crossing Guards Fund	Emergency Management Fund	Special Law Fund	Total Nonmajor Governmental Funds
Assets						
Cash and cash equivalents	\$ 62,595	\$ 869	\$ 93,974	\$ 91,210	\$ 5	\$ 248,653
Due from other governments	111,743	360	-	103,566	-	215,669
Total Assets	\$ 174,338	\$ 1,229	\$ 93,974	\$ 194,776	\$ 5	\$ 464,322
Liabilities						
Accounts payable and accrued liabilities	\$ 183	\$ -	\$ 33	\$ 9,819	\$ 5	\$ 10,040
Due to other funds	-	-	-	-	-	-
Total liabilities	183	-	33	9,819	5	10,040
Fund Balances:						
Restricted for:						
Public safety	174,155	1,229	93,941	184,957	-	454,282
Total fund balances	174,155	1,229	93,941	184,957	-	454,282
Total Liabilities and Fund Balances	\$ 174,338	\$ 1,229	\$ 93,974	\$ 194,776	\$ 5	\$ 464,322

See accompanying notes to financial statements.

BAKER COUNTY SHERIFF
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	911 Fund	Second Dollar Fund	School Crossing Guards Fund	Emergency Management Fund	Special Law Fund	Total Nonmajor Governmental Funds
Revenues						
Permits and fees	\$ 160,597	\$ -	\$ -	\$ -	\$ -	\$ 160,597
Intergovernmental	76,665	-	79,757	158,114	-	314,536
Fines and forfeitures	-	5,358	-	-	-	5,358
Investment income	83	23	190	300	74	670
Miscellaneous	-	-	-	55	13,131	13,186
Total revenues	<u>237,345</u>	<u>5,381</u>	<u>79,947</u>	<u>158,469</u>	<u>13,205</u>	<u>494,347</u>
Expenditures						
Current:						
Public safety	186,914	12,403	61,436	166,468	8,516	435,737
Capital outlay	-	-	-	46,038	-	46,038
Total expenditures	<u>186,914</u>	<u>12,403</u>	<u>61,436</u>	<u>212,506</u>	<u>8,516</u>	<u>481,775</u>
Excess (deficiency) of revenues over (under) expenditures	<u>50,431</u>	<u>(7,022)</u>	<u>18,511</u>	<u>(54,037)</u>	<u>4,689</u>	<u>12,572</u>
Other financing sources (uses)						
Appropriations from Board of County Commissioners	-	-	-	57,871	-	57,871
Reversions from constitutional officers	-	-	-	-	(4,689)	(4,689)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,871</u>	<u>(4,689)</u>	<u>53,182</u>
Net change in fund balances	<u>50,431</u>	<u>(7,022)</u>	<u>18,511</u>	<u>3,834</u>	<u>-</u>	<u>65,754</u>
Fund balances, beginning of year	123,724	8,251	75,430	181,123	-	388,528
Fund balances, end of year	<u>\$ 174,155</u>	<u>\$ 1,229</u>	<u>\$ 93,941</u>	<u>\$ 184,957</u>	<u>\$ -</u>	<u>\$ 454,282</u>

See accompanying notes to financial statements.

**BAKER COUNTY SHERIFF
COMBINING SCHEDULE OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	<u>Donated Fund</u>	<u>Seized Fund</u>	<u>Individual Deposits Fund</u>	<u>Inmate Trust Fund</u>	<u>Total Custodial Funds</u>
Assets					
Cash and equivalents	\$ 12,546	\$ 355	\$ 52,778	\$ 206,667	\$ 272,346
Total assets	<u>\$ 12,546</u>	<u>\$ 355</u>	<u>\$ 52,778</u>	<u>\$ 206,667</u>	<u>\$ 272,346</u>
Liabilities					
Due to others	\$ -	\$ -	\$ -	\$ 85,513	\$ 85,513
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,513</u>	<u>\$ 85,513</u>
Net Position					
Restricted for:					
Law enforcement	\$ 12,546	\$ 355	\$ 52,778	\$ 121,154	\$ 186,833
Total net position	<u>\$ 12,546</u>	<u>\$ 355</u>	<u>\$ 52,778</u>	<u>\$ 121,154</u>	<u>\$ 186,833</u>

See accompanying notes to financial statements.

**BAKER COUNTY SHERIFF
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Bond Fund	Individual Deposits Fund	Evidence Escrow Fund	Inmate Trust Fund	Total Custodial Funds
Additions:					
Seizures	\$ 12,600	\$ -	\$ -	\$ -	\$ 12,600
Deposits and trusts	-	-	6,024	1,015,555	1,021,579
Fines and forfeitures	6,060	-	-	-	6,060
Miscellaneous	117	-	-	-	117
Total additions	<u>18,777</u>	<u>-</u>	<u>6,024</u>	<u>1,015,555</u>	<u>1,040,356</u>
Deductions:					
Payments to individuals	17	-	724	19,891	20,632
Payments to other governments	3,799	-	-	-	3,799
Inmate services	-	-	-	875,266	875,266
Payments to Board of County Commissioners	123	-	-	-	123
Payments to other constitutional offices	3,683	-	-	-	3,683
Miscellaneous	5,000	-	-	776	5,776
Total deductions	<u>12,622</u>	<u>-</u>	<u>724</u>	<u>895,933</u>	<u>909,279</u>
Net change in fiduciary net position	<u>6,155</u>	<u>-</u>	<u>5,300</u>	<u>119,622</u>	<u>131,077</u>
Net position, beginning of year, as restated	6,391	355	47,478	1,532	55,756
Net position, end of year	<u>\$ 12,546</u>	<u>\$ 355</u>	<u>\$ 52,778</u>	<u>\$ 121,154</u>	<u>\$ 186,833</u>

See accompanying notes to financial statements.

ADDITIONAL INFORMATION



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

The Honorable Scotty Rhoden, Sheriff,
Baker County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and aggregate remaining fund information of the Baker County Sheriff (the Office) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated January 9, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

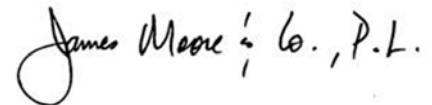
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "James Moore & Co., P.L." The signature is written in black ink and is positioned to the right of the date and location information.

Daytona Beach, Florida
January 9, 2023



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

The Honorable Scotty Rhoden, Sheriff,
Baker County, Florida:

We have audited the financial statements of the Baker County Sheriff (the Office), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 9, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

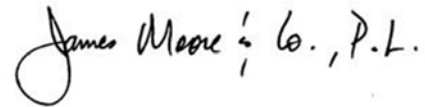
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

Daytona Beach, Florida
January 9, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Scotty Rhoden, Sheriff,
Baker County, Florida:

We have examined the Baker County Sheriff's (the Office) compliance with Section 365.172, Florida Statutes, *Emergency Communications Number "E911"*, Section 365.173, Florida Statutes, *Communications Number E911 System Fund*, and Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 365.172, Florida Statutes, *Emergency Communications Number "E911"*, Section 365.173, Florida Statutes, *Communications Number E911 System Fund*, and Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

Daytona Beach, Florida
June 14, 2022

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' with a stylized flourish at the end.

BAKER COUNTY PROPERTY APPRAISER
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2021

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

SEPTEMBER 30, 2021

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INDEPENDENT AUDITORS' REPORT

The Honorable Timothy Sweat, Property Appraiser,
Baker County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Baker County Property Appraiser (the Office), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Baker County Property Appraiser's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund for the Baker County Property Appraiser as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Baker County, Florida, that is attributable to the Baker County Property Appraiser. They do not purport to, and do not, present fairly the financial position of Baker County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

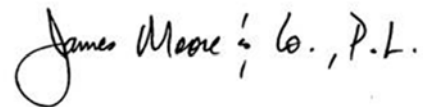
Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

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



Daytona Beach, Florida
January 9, 2023

**BAKER COUNTY PROPERTY APPRAISER
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2021**

ASSETS

Cash and cash equivalents	<u>\$ 40,726</u>
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LIABILITIES AND FUND BALANCES

Liabilities:

Due to other governments	\$ 3,442
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Due to Board of County Commissioners	<u>37,284</u>
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Total liabilities	40,726
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Fund Balance:

Unassigned	-
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Total Liabilities and Fund Balances	<u>\$ 40,726</u>
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The accompanying notes to financial statements are an integral part of this statement.

**BAKER COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Revenues	
Charges for services	\$ 92,749
Total revenues	92,749
Expenditures	
Current:	
General government	712,629
Excess (deficiency) of revenues over expenditures	(619,880)
Other financing sources (uses)	
Appropriations to constitutional officers	657,164
Reversions from constitutional officers	(37,284)
Total other financing sources (uses)	619,880
Net change in fund balances	-
Fund balances, beginning of year	-
Fund balances, end of year	\$ -

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

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

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

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

(a) **Reporting entity**—The Baker County Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Baker County, Florida (the County), including the Office of the Property Appraiser, was established by Chapter 8516, Laws of Florida in 1921. The Office is an integral part of the County, the reporting entity for financial reporting purposes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) Budgets and Budgetary Accounting:

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

(3) Investments:

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

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

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

(4) Risk Management:

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

(5) Long-term Liabilities:

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 10,961	\$ 37,305	\$ (28,483)	\$ 19,783	\$ 19,783

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

(6) Pension Plan:

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

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Property Appraiser is deemed to be part of the primary government of Baker County, Florida. A liability related to the Property Appraiser's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

**BAKER COUNTY PROPERTY APPRAISER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 115,290	\$ 121,057	\$ 92,749	\$ (28,308)
Expenditures				
Current:				
General government	760,009	765,776	712,629	53,147
Excess (deficiency) of revenues over expenditures	<u>(644,719)</u>	<u>(644,719)</u>	<u>(619,880)</u>	<u>24,839</u>
Other financing sources (uses)				
Appropriations to constitutional officers	644,719	644,719	657,164	12,445
Reversions from constitutional officers	-	-	(37,284)	(37,284)
Total other financing sources (uses)	<u>644,719</u>	<u>644,719</u>	<u>619,880</u>	<u>(24,839)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

**BAKER COUNTY PROPERTY APPRAISER
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

(1) **Budgetary Information:**

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

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

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

ADDITIONAL INFORMATION

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

The Honorable Timothy Sweat, Property Appraiser,
Baker County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Baker County Property Appraiser (the Office) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Baker County Property Appraiser's special-purpose financial statements, and have issued our report thereon dated January 9, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

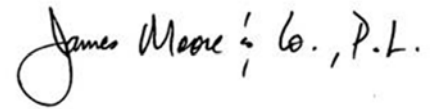
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

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

Purpose of this Report

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

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

Daytona Beach, Florida
January 9, 2023



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

The Honorable Timothy Sweat, Property Appraiser,
Baker County, Florida:

We have audited the financial statements of the Baker County Property Appraiser (the Office), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 9, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

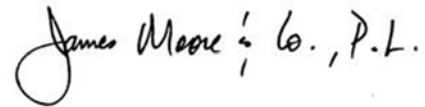
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

Daytona Beach, Florida
January 9, 2023

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

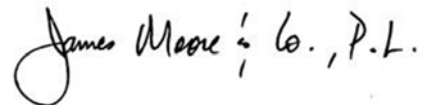
The Honorable Timothy Sweat, Property Appraiser,
Baker County, Florida:

We have examined the Baker County Property Appraiser's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Baker County Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

Daytona Beach, Florida
June 14, 2022



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BAKER COUNTY SUPERVISOR OF ELECTIONS

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

SEPTEMBER 30, 2021

BAKER COUNTY SUPERVISOR OF ELECTIONS
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2021

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INDEPENDENT AUDITORS' REPORT

The Honorable Chris Milton, Supervisor of Elections,
Baker County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Baker County Supervisor of Elections, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Baker County Supervisor of Elections' financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund for the Baker County Supervisor of Elections as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Baker County, Florida, that is attributable to the Baker County Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Baker County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

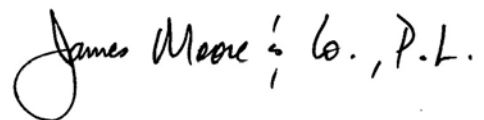
Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

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



Daytona Beach, Florida
January 9, 2023

**BAKER COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2021**

ASSETS

Cash and cash equivalents	\$ 14,949
---------------------------	-----------

LIABILITIES

Accounts payable and accrued liabilities	\$ 6,046
Due to Board of County Commissioners	8,903
Total liabilities	<u>14,949</u>

FUND BALANCE

Unassigned	-
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Total Liabilities and Fund Balances	<u>\$ 14,949</u>
--	------------------

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

**BAKER COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Revenues	
Intergovernmental	\$ -
Investment income	-
Total revenues	-
 Expenditures	
Current:	
General government	562,502
Excess (deficiency) of revenues over expenditures	(562,502)
 Other financing sources (uses)	
Appropriations to constitutional officers	569,583
Reversions from constitutional officers	(7,081)
Total other financing sources (uses)	562,502
Net change in fund balances	-
Fund balances, beginning of year	-
Fund balances, end of year	\$ -

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

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

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

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

(a) **Reporting entity**—The Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Baker County, including the Office of the Supervisor of Elections, was established by Chapter 8516, Laws of Florida in 1921. The Office is an integral part of Baker County, the reporting entity for financial reporting purposes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) Budgets and Budgetary Accounting:

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

(3) Investments:

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

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

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

(4) Risk Management:

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

(5) Long-term Liabilities:

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

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending Balance</u>		<u>Due Within One Year</u>
Compensated absences	\$ 39,148	\$	8,437	\$	(27,351)	\$	20,234	\$	20,234

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

(6) Pension Plan:

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

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

**BAKER COUNTY SUPERVISOR OF ELECTIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Current:				
General government	569,583	569,583	562,502	7,081
Excess (deficiency) of revenues over expenditures	<u>(569,583)</u>	<u>(569,583)</u>	<u>(562,502)</u>	<u>7,081</u>
Other financing sources (uses)				
Appropriations to constitutional officers	569,583	569,583	569,583	-
Reversions from constitutional officers	-	-	(7,081)	(7,081)
Total other financing sources (uses)	569,583	569,583	562,502	(7,081)
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**BAKER COUNTY SUPERVISOR OF ELECTIONS
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

(1) **Budgetary Information:**

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

The Supervisor of Elections follows these procedures in establishing the budgetary data reflected in the financial statements:

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

ADDITIONAL INFORMATION



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

The Honorable Chris Milton, Supervisor of Elections,
Baker County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Baker County Supervisor of Elections (the Office) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Baker County Supervisor of Elections' special-purpose financial statements, and have issued our report thereon dated January 9, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

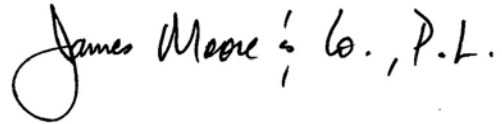
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

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

Purpose of this Report

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

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

Daytona Beach, Florida
January 9, 2023



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

The Honorable Chris Milton, Supervisor of Elections,
Baker County, Florida:

We have audited the financial statements of the Baker County Supervisor of Elections (the Office), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 9, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

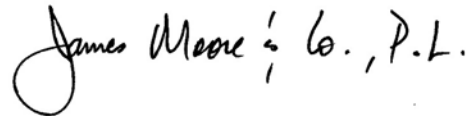
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

Daytona Beach, Florida
January 9, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Chris Milton, Supervisor of Elections,
Baker County, Florida:

We have examined the Baker County Supervisor of Elections' (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Baker County Supervisor of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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Daytona Beach, Florida
June 14, 2022

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

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

SEPTEMBER 30, 2021

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INDEPENDENT AUDITORS' REPORT

The Honorable Amy Dugger, Tax Collector,
Baker County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Baker County Tax Collector (the Office), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and the aggregate remaining fund information for the Office as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Baker County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Baker County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

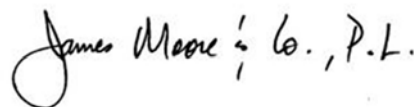
Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

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

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

Daytona Beach, Florida
January 9, 2023

**BAKER COUNTY TAX COLLECTOR
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2021**

Assets	
Cash and cash equivalents	\$ 140,649
Liabilities and Fund Balance	
Liabilities	
Accounts payable and accrued liabilities	\$ 150
Due to Board of County Commissioners	140,499
Total liabilities	<u>140,649</u>
Fund balance	
Unassigned	-
Total Liabilities and Fund Balance	<u><u>\$ -</u></u>

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

**BAKER COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Revenues	
Charges for services	\$ 763,435
Investment income	350
Total revenues	763,785
 Expenditures	
Current:	
General government	851,591
 Excess (deficiency) of revenues over expenditures	(87,806)
 Other financing sources (uses)	
Appropriations from Board of County Commissioners	228,305
Reversions to Board of County Commissioners	(140,499)
Total other financing sources (uses)	87,806
 Net change in fund balances	-
 Fund balances, beginning of year	-
 Fund balances, end of year	\$ -

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

**BAKER COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 384,558
Total assets	\$ 384,558
Liabilities	
Accounts payable and accrued expenses	\$ 654
Due to individuals	2,811
Due to other funds	-
Due to other county agencies	-
Due to other governments	378,403
Deposits and escrow	2,690
Total liabilities	\$ 384,558
Net Position	\$ -

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

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

	Custodial Funds
Additions	
Taxes	\$ 22,386,089
Charges for services	-
Permits, fees, and special assessments	1,107,908
Payments for deposit and escrow	270,106
Fines and forfeitures	-
Payments from other funds	-
Payments from other governments	-
Miscellaneous	18,968
Total additions	23,783,071
Deductions	
Payments to individuals	908,929
Payments to other governments	14,681,488
Payments to other funds	-
Payments to Board of County Commissioners	8,192,654
Payments to constitutional officers	-
Miscellaneous payments	-
Total deductions	23,783,071
Net change in fiduciary net position	-
Net position, beginning of year	-
Net position, end of year	\$ -

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

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

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

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

(a) **Reporting entity**—The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Baker County, Florida (the County), including the Office of the Tax Collector, was established by Chapter 8516, Laws of Florida in 1921. The Office is an integral part of the County, which is the reporting entity for financial reporting purposes.

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

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

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

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

Additionally, the Office reports the following fiduciary fund type:

Custodial Fund - Used to account for assets held by the Office as an agent for individuals, private organizations, other governments, and/or other funds. The Tax Collector’s Custodial Fund is used to account for the collection and distribution of property taxes, sales tax, vehicle tags and titles, boat registrations and titles, fishing licenses, and driver’s licenses.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) **Investments:**

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

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

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

(4) **Risk Management:**

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

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

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 21,747	\$ 30,303	\$ (37,109)	\$ 14,941	\$ 14,941

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

(6) Pension Plan:

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

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

BAKER COUNTY TAX COLLECTOR
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for services	\$ 937,578	\$ 937,578	\$ 763,435	\$ (174,143)
Investment income	686	686	350	(336)
Total revenues	<u>938,264</u>	<u>938,264</u>	<u>763,785</u>	<u>(174,479)</u>
Expenditures				
Current:				
General government	861,145	861,145	851,591	9,554
Total expenditures	<u>861,145</u>	<u>861,145</u>	<u>851,591</u>	<u>9,554</u>
Excess (deficiency) of revenues over expenditures	<u>77,119</u>	<u>77,119</u>	<u>(87,806)</u>	<u>(164,925)</u>
Other financing sources (uses)				
Appropriations to constitutional officers	-	-	228,305	228,305
Reversions from constitutional officers	(77,119)	(77,119)	(140,499)	(63,380)
Total other financing sources (uses)	<u>(77,119)</u>	<u>(77,119)</u>	<u>87,806</u>	<u>164,925</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**BAKER COUNTY TAX COLLECTOR
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

(1) **Budgetary Information:**

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

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

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

SUPPLEMENTARY INFORMATION

**BAKER COUNTY TAX COLLECTOR
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2021**

	Tax Fund	Tag Fund	Total Custodial Funds
Assets			
Cash and equivalents	\$ 322,527	\$ 62,031	\$ 384,558
Total assets	\$ 322,527	\$ 62,031	\$ 384,558
Liabilities			
Accounts Payable and accrued expenses	\$ 654	\$ -	\$ 654
Due to individuals	2,143	668	2,811
Due to other governments	317,268	61,135	378,403
Deposits and escrow	2,462	228	2,690
Total liabilities	\$ 322,527	\$ 62,031	\$ 384,558
Net Position	\$ -	\$ -	\$ -

**BAKER COUNTY TAX COLLECTOR
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Tax Fund</u>	<u>Tag Fund</u>	<u>Total Custodial Funds</u>
Additions			
Taxes	\$ 18,034,368	\$ 4,351,721	\$ 22,386,089
Permits, fees, and special assessments	641,538	466,370	1,107,908
Payments for deposit and escrow	270,106	-	270,106
Miscellaneous	-	18,968	18,968
Total additions	<u>18,946,012</u>	<u>4,837,059</u>	<u>23,783,071</u>
Deductions			
Payments to individuals	908,929	-	908,929
Payments to other governments	9,855,349	4,826,139	14,681,488
Payments to Board of County Commissioners	8,181,734	10,920	8,192,654
Total deductions	<u>18,946,012</u>	<u>4,837,059</u>	<u>23,783,071</u>
Net change in fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>
Net position, beginning of year	-	-	-
Net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

ADDITIONAL INFORMATION



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

The Honorable Amy Dugger, Tax Collector,
Baker County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund and the aggregate remaining fund information of the Baker County Tax Collector (the Office) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated January 9, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

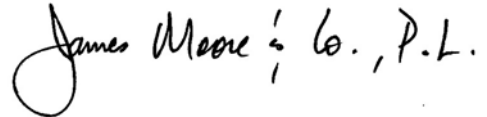
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

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

Purpose of this Report

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

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

Daytona Beach, Florida
January 9, 2023



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

The Honorable Amy Dugger, Tax Collector,
Baker County, Florida:

We have audited the financial statements of the Baker County Tax Collector (the Office), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 9, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

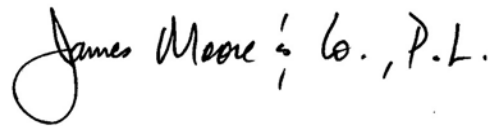
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

Daytona Beach, Florida
January 9, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Amy Dugger, Tax Collector,
Baker County, Florida:

We have examined the Baker County Tax Collector's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Baker County Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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Daytona Beach, Florida
June 14, 2021

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BAKER COUNTY CLERK OF COURTS
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2021

BAKER COUNTY CLERK OF COURTS
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2021

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INDEPENDENT AUDITORS' REPORT

The Honorable Stacie D. Harvey, Clerk of Courts,
Baker 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 Baker County Clerk of the Courts (the Office), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the Office as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of the Office that is attributable to the Wakulla County Clerk of Court and Comptroller. They do not purport to, and do not, present fairly the financial position of the Office as of September 30, 2021, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

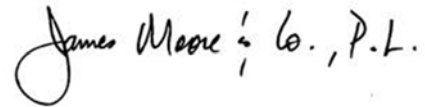
Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

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

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

Daytona Beach, Florida
January 9, 2023

**BAKER COUNTY CLERK OF COURTS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Records Modernization Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 538,273	\$ 243,020	\$ 781,293
Accounts receivable	50	-	50
Due from other governments	34,188	-	34,188
Total Assets	<u>\$ 572,511</u>	<u>\$ 243,020</u>	<u>\$ 815,531</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 50,136	\$ -	\$ 50,136
Due to other governments	47,937	-	47,937
Due to Board of County Commissioners	106,099	-	106,099
Total liabilities	<u>204,172</u>	<u>-</u>	<u>204,172</u>
FUND BALANCES			
Restricted for:			
Records modernization	-	243,020	243,020
Assigned to:			
Court operations	368,339	-	368,339
Total fund balances	<u>368,339</u>	<u>243,020</u>	<u>611,359</u>
Total Liabilities and Fund Balances	<u>\$ 572,511</u>	<u>\$ 243,020</u>	<u>\$ 815,531</u>

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

BAKER COUNTY CLERK OF COURTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>General Fund</u>	<u>Records Modernization Fund</u>	<u>Governmental Funds</u>
Revenues			
Intergovernmental	\$ 345,367	\$ -	\$ 345,367
Charges for services	512,402	52,118	564,520
Fines and forfeitures	131,567	35,176	166,743
Investment income	2,225	122	2,347
Miscellaneous	3,104	-	3,104
Total revenues	<u>994,665</u>	<u>87,416</u>	<u>1,082,081</u>
Expenditures			
Current:			
General government	450,530	-	450,530
Court related	681,147	24,441	705,588
Total expenditures	<u>1,131,677</u>	<u>24,441</u>	<u>1,156,118</u>
Excess (deficiency) of revenues over expenditures	<u>(137,012)</u>	<u>62,975</u>	<u>(74,037)</u>
Other financing sources (uses)			
Transfers in	18,480	-	18,480
Transfers out	-	(18,480)	(18,480)
Appropriations from Board of County Commissioners	365,440	-	365,440
Reversions to Board of County Commissioners	(106,099)	-	(106,099)
Total other financing sources (uses)	<u>277,821</u>	<u>(18,480)</u>	<u>259,341</u>
Net change in fund balances	<u>140,809</u>	<u>44,495</u>	<u>185,304</u>
Fund balances, beginning of year	227,530	198,525	426,055
Fund balances, end of year	<u>\$ 368,339</u>	<u>\$ 243,020</u>	<u>\$ 611,359</u>

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

**BAKER COUNTY CLERK OF COURTS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 268,493
Total Assets	\$ 268,493
Liabilities	
Due to others	\$ 268,493
Total Liabilities	\$ 268,493
Net Position	\$ -

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

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

	Total Custodial Funds
Additions	
Court-related	\$ 268,493
Total additions	268,493
Deductions	
Court-related	268,493
Net change in fiduciary net position	-
Net position, beginning of year	-
Net position, end of year	\$ -

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

BAKER COUNTY CLERK OF COURTS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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

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

(a) **Reporting entity**—The Clerk is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Baker County, Florida (the County), including the Office of the Clerk, was established by Chapter 8516, Laws of Florida in 1921. The Office is an integral part of the County, the reporting entity for financial reporting purposes.

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

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

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

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

The Office reports the following Special Revenue fund:

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

Additionally, the Office reports the following fiduciary fund type:

Custodial Fund – A custodial fund is used to account for assets held by the Clerk as an agent for individuals, other County funds, and other governmental units. The Clerk functions purely as custodian for others in the maintenance of these funds.

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

BAKER COUNTY CLERK OF COURTS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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

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

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

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

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

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

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

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

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

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

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

**BAKER COUNTY CLERK OF COURTS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

(2) Budgets and Budgetary Accounting:

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

(3) Investments:

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

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

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

(4) Risk Management:

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

(5) Long-term Liabilities:

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

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending Balance</u>		<u>Due Within One Year</u>
Compensated absences	\$ 40,125	\$	23,911	\$	(20,465)	\$	43,571	\$	19,648

**BAKER COUNTY CLERK OF COURTS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

(6) Pension Plan:

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

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

BAKER COUNTY CLERK OF COURTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ 220,000	\$ 220,000	\$ 345,367	\$ 125,367
Charges for services	419,251	419,251	512,402	93,151
Fines and forfeitures	125,065	125,065	131,567	6,502
Investment income	713	713	2,225	1,512
Miscellaneous	4,600	4,600	3,104	(1,496)
Total revenues	<u>769,629</u>	<u>769,629</u>	<u>994,665</u>	<u>225,036</u>
Expenditures				
Current:				
General government	451,768	451,768	450,530	1,238
Court related	707,134	707,134	681,147	25,987
Total expenditures	<u>1,158,902</u>	<u>1,158,902</u>	<u>1,131,677</u>	<u>27,225</u>
Excess (deficiency) of revenues over expenditures	<u>(389,273)</u>	<u>(389,273)</u>	<u>(137,012)</u>	<u>252,261</u>
Other financing sources (uses)				
Transfers in	42,843	42,843	18,480	(24,363)
Appropriations from Board of County Commissioners	365,430	365,430	365,440	10
Reversions to Board of County Commissioners	(19,000)	(19,000)	(106,099)	(87,099)
Total other financing sources (uses)	<u>389,273</u>	<u>389,273</u>	<u>277,821</u>	<u>(111,452)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>140,809</u>	<u>140,809</u>
Fund balances, beginning of year	227,530	227,530	227,530	-
Fund balances, end of year	<u>\$ 227,530</u>	<u>\$ 227,530</u>	<u>\$ 368,339</u>	<u>\$ 140,809</u>

The accompanying notes to schedules of revenues, expenditures and changes in fund balances - budget and actual - governmental funds are an integral part of this schedule.

BAKER COUNTY CLERK OF COURTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - RECORDS MODERNIZATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 42,000	\$ 42,000	\$ 52,118	\$ 10,118
Fines and forfeitures	33,000	33,000	35,176	2,176
Investment income	300	300	122	(178)
Miscellaneous	35,850	35,850	-	(35,850)
Total revenues	<u>111,150</u>	<u>111,150</u>	<u>87,416</u>	<u>(23,734)</u>
Expenditures				
Current:				
Court related	92,150	92,150	24,441	67,709
Total expenditures	<u>92,150</u>	<u>92,150</u>	<u>24,441</u>	<u>67,709</u>
Excess (deficiency) of revenues over expenditures	<u>19,000</u>	<u>19,000</u>	<u>62,975</u>	<u>43,975</u>
Other financing sources (uses)				
Transfers out	(19,000)	(19,000)	(18,480)	520
Fund balances, beginning of year	198,525	198,525	198,525	-
Fund balances, end of year	<u>\$ 198,525</u>	<u>\$ 198,525</u>	<u>\$ 243,020</u>	<u>\$ 44,495</u>

The accompanying notes to schedules of revenues, expenditures and changes in fund balances - budget and actual - governmental funds are an integral part of this schedule.

**BAKER COUNTY CLERK OF COURTS
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

(1) **Budgetary Information:**

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

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

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

SUPPLEMENTARY INFORMATION

**BAKER COUNTY CLERK OF COURTS
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2021**

	<u>Clerk's Trust Fund</u>	<u>Fine and Forfeiture Fund</u>	<u>Domestic Relations Fund</u>	<u>Witness Fund</u>	<u>Registry of the Court Fund</u>	<u>Total Custodial Funds</u>
Assets						
Cash and cash equivalents	\$ 57,224	\$ 72,991	\$ 2,804	\$ 2,895	\$ 132,579	\$ 268,493
Total Assets	<u>\$ 57,224</u>	<u>\$ 72,991</u>	<u>\$ 2,804</u>	<u>\$ 2,895</u>	<u>\$ 132,579</u>	<u>\$ 268,493</u>
Liabilities						
Due to others	\$ 57,224	\$ 72,991	\$ 2,804	\$ 2,895	\$ 132,579	\$ 268,493
Total Liabilities	<u>\$ 57,224</u>	<u>\$ 72,991</u>	<u>\$ 2,804</u>	<u>\$ 2,895</u>	<u>\$ 132,579</u>	<u>\$ 268,493</u>
Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**BAKER COUNTY CLERK OF COURTS
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Clerk's Trust Fund</u>	<u>Fine and Forfeiture Fund</u>	<u>Domestic Relations Fund</u>	<u>Witness Fund</u>	<u>Registry of the Court Fund</u>	<u>Total Custodial Funds</u>
Additions						
Court-related	\$ 57,224	\$ 72,991	\$ 2,804	\$ 2,895	\$ 132,579	\$ 268,493
Deductions						
Court-related	57,224	72,991	2,804	2,895	132,579	268,493
Net change in fiduciary net position	-	-	-	-	-	-
Net position, beginning of year	-	-	-	-	-	-
Net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

ADDITIONAL INFORMATION



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

The Honorable Stacie D. Harvey, Clerk of Courts,
Baker County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Baker County Clerk of Courts (the Office) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated January 9, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described below as item 2021-001 that we consider to be a material weakness.

2021-001 – Audit Adjustments and Year-End Reconciliations

Various audit adjustments were required to correct account balances for proper year-end cutoff related to various internal balances that were not adjusted for final year-end accrual adjustments at the start of fieldwork. To ensure the financial statements are accurately presented, we recommend management ensure all year-end balances are reconciled and adjusted as necessary on the accrual basis to prepare the financial statements in accordance with generally accepted accounting principles.

Compliance and Other Matters

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

Management's Response to Findings

Management's response to the findings identified previously is included in the accompanying Management Response to the Findings. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Daytona Beach, Florida
January 9, 2023

James Moore & Co., P.L.



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

The Honorable Stacie D. Harvey, Clerk of Courts,
Baker County, Florida:

We have audited the financial statements of the Baker County Clerk of Courts (the Office), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 9, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

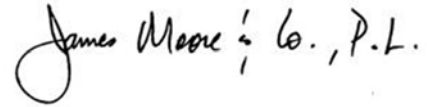
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

Daytona Beach, Florida
January 9, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Stacie D. Harvey, Clerk of Courts,
Baker County, Florida:

We have examined the Baker County Clerk of Courts' (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, Section 28.36, Florida Statutes, *Budget Procedure*, and Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees* (collectively, "the Statutes"), for the year ended September 30, 2021. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with the Statutes for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

Daytona Beach, Florida
June 14, 2022

A handwritten signature in black ink that reads "James Moore & Co., P.L." with a stylized flourish at the end.



STACIE D. HARVEY
CLERK OF COURTS
BAKER COUNTY, FLORIDA



January 9, 2023

James Moore, CPA
121 Executive Circle
Daytona Beach, FL 32114-1180

This letter is in response to the Auditor's Financial Statement findings for the Baker County Board of County Commissioner's audit for the fiscal year ending September 30, 2021.

2021-001 Cash to Accrual Basis

In year 2021, the County had contracted with a new finance software. Due to the timeliness of the conversion and training process of the software system the year-end accrual adjustments were not accurately posted in accordance with generally accepted accounting principles. County Finance Director is currently taking corrective action on proper year-end procedures. Comptroller will review the financials for completeness.

Anticipated Completion Date: FY2023/FY2024 **Responsible Official:** Stacie Harvey

If you have any questions, please contact me at 259-3121.

Sincerely,

Stacie D. Harvey

Baker County Clerk of Court
County Comptroller
339 E. Macclenny Ave.
Macclenny, FL 32063
Ph: (904) 259-3121