

**BAKER COUNTY, FLORIDA**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**BAKER COUNTY, FLORIDA  
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SEPTEMBER 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

#### ***Opinions***

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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Unmodified Opinion on Major Funds and Aggregate Remaining Fund Information***

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the General Fund, Transportation Trust Fund, Road Paving Fund, Fines and Forfeitures Fund, SHIP Fund, American Rescue Plan Fund, and the aggregate remaining fund information for the County as of September 30, 2022, 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.

#### ***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, 2022, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***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.

### ***Responsibilities of Management for the Financial Statements***

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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted the schedule of changes in the County's total OPEB liability and related ratios that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board. Our opinion on the basic financial statements are not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements. The combining and individual nonmajor fund financial statements and other schedules, 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. 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 June 20, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Daytona Beach, Florida  
June 20, 2024



**BAKER COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2022**

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, 2022.

**Financial Highlights**

The following are various financial highlights for fiscal year 2022:

- The County's overall net position increased by \$10,805,899.
- Total ending net position was approximately \$61.9 million, which includes negative unrestricted net position of approximately \$1 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, 2022**

**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, 2022**

**Schedule of Net Position**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current and other assets	\$ 28,964,580	\$ 27,391,968
Capital assets	57,017,740	52,667,074
Total assets	<u>85,982,320</u>	<u>80,059,042</u>
Deferred outflows of resources	<u>6,872,657</u>	<u>5,027,422</u>
<b>LIABILITIES</b>		
Current and other liabilities	3,237,974	7,993,062
Long-term liabilities	25,894,560	10,786,218
Total liabilities	<u>29,132,534</u>	<u>18,779,280</u>
Deferred inflows of resources	<u>1,842,790</u>	<u>15,233,430</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 55,701,768	\$ 51,005,012
Restricted	7,156,803	7,487,153
Unrestricted	(978,918)	(7,418,411)
Total net position	<u>\$ 61,879,653</u>	<u>\$ 51,073,754</u>

**Schedule of Changes in Net Position**

	<u>2022</u>	<u>2021</u>
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 16,123,339	\$ 15,799,846
Operating grants and contributions	11,309,245	8,886,360
Capital grants and contributions	4,285,914	2,566,873
General revenues		
Property taxes	7,572,196	6,953,903
Other taxes	4,334,636	3,773,704
Unrestricted shared revenue	5,563,001	4,762,600
Other	1,123,227	1,920,303
Total revenues	<u>50,311,558</u>	<u>44,663,589</u>
<b>EXPENSES</b>		
General government	5,124,578	4,925,184
Public safety	24,281,186	20,903,707
Physical environment	1,128,048	1,114,984
Transportation	4,551,172	4,523,672
Economic environment	720,442	244,364
Human services	1,467,819	3,626,561
Culture and recreation	650,945	489,063
Court related	1,545,165	1,143,209
Interest on long-term debt	36,304	76,997
Total expenses	<u>39,505,659</u>	<u>37,047,741</u>
Change in net position	10,805,899	7,615,848
Net position, beginning of year	51,073,754	43,457,906
Net position, end of year	<u>\$ 61,879,653</u>	<u>\$ 51,073,754</u>



**BAKER COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2022**

**OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS**

**Governmental Activities**

The governmental activities generated \$50.3 million in revenues and incurred \$39.5 million of expenses. This resulted in an increase in net position of approximately \$10.8 million. This compares with a prior year increase in net position of approximately \$7.6 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 \$2,595,207, compared with an increase of approximately \$1,956,297 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 increased by \$87,883 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 \$4,309, primarily due to the timing of certain capital outlay expenditures.
- The Road Paving Fund's total fund balance decreased by \$(24,706), primarily due to transfers in from the general fund.
- The ARPA fund is a special revenue fund overseeing the ARPA revenue received as a part of the federal government's response to COVID-19.

**GENERAL FUND – BUDGETARY HIGHLIGHTS**

Revenues of the General Fund were approximately \$1,500,000 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 \$92,000.

**CAPITAL ASSETS**

The County's capital assets, net of depreciation, increased by approximately \$30 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**

Long-term debt increased by approximately \$15 million during the 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, 2022**

**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 2023, equal to the millage rate adopted for fiscal year 2022.

**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, 2022**

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Baker County Corrections Management Corporation</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 22,682,714	\$ 4,213,574
Investments	2,427,811	-
Receivables, net	518,277	1,692,089
Due from other governments	3,281,284	-
Due from component unit	-	503,176
Prepays	54,494	-
Restricted assets:		
Equity in pooled cash	-	1,307,604
Capital assets:		
Capital assets, not being depreciated	7,221,867	1,635,160
Capital assets, net of depreciation	49,795,873	25,758,422
Total assets	<u>\$ 85,982,320</u>	<u>\$ 35,110,025</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to pensions	<u>\$ 6,872,657</u>	<u>\$ -</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 2,639,383	\$ 78,466
Due to other governments	35,879	-
Unearned revenue	562,712	-
Noncurrent liabilities:		
Due within one year:		
Bonds and notes payable	43,958	883,200
Leases payable	307,348	16,193
Compensated absences	824,854	-
Due in more than one year:		
Bonds and notes payable	114,884	28,720,741
Leases payable	849,782	273,489
Compensated absences	154,164	-
Net pension liability	23,599,570	-
Total liabilities	<u>\$ 29,132,534</u>	<u>\$ 29,972,089</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	<u>\$ 1,842,790</u>	<u>\$ -</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 55,701,768	\$ 2,695,065
Restricted for:		
Health reimbursements	277,103	-
Law enforcement	1,289,237	-
Recreation	453,935	-
Human services	93,500	-
Physical environment	38,018	-
Transportation	3,373,383	-
Economic environment	882,403	-
Court costs	544,191	-
Equitable sharing	153,200	-
Other purposes	51,833	1,307,604
Unrestricted	(978,918)	1,135,267
Total net position	<u>\$ 61,879,653</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, 2022**

Functions/Programs					Net (Expense) Revenue and Changes in Net Position	
	Expenses	Program Revenues			Primary Government	Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Baker County Corrections Management Corporation
Governmental activities:						
General government	\$ 5,124,578	\$ 1,494,224	\$ 5,878,401	\$ -	\$ 2,248,047	\$ -
Public safety	24,281,186	13,118,469	1,031,920	4,678	(10,126,119)	-
Physical environment	1,128,048	688,846	228,685	-	(210,517)	-
Transportation	4,551,172	-	1,317,207	4,281,236	1,047,271	-
Economic environment	720,442	-	663,359	-	(57,083)	-
Human services	1,467,819	286.0	1,728,296	-	260,763	-
Culture and recreation	650,945	39,670	77,575	-	(533,700)	-
Court related	1,545,165	781,844	383,802	-	(379,519)	-
Interest on long-term debt	36,304	-	-	-	(36,304)	-
Total governmental activities	<u>39,505,659</u>	<u>16,123,339</u>	<u>11,309,245</u>	<u>4,285,914</u>	<u>(7,787,161)</u>	<u>-</u>
Total primary government	<u>\$ 39,505,659</u>	<u>\$ 16,123,339</u>	<u>\$ 11,309,245</u>	<u>\$ 4,285,914</u>	<u>(7,787,161)</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					7,572,196	-
Sales taxes					2,808,384	-
Other taxes					1,526,252	-
Franchise fees					721,365	-
State revenue sharing					5,563,001	-
Investment earnings					75,479	10,320
Miscellaneous revenues					326,383	-
Total general revenues					<u>18,593,060</u>	<u>10,320</u>
Change in net position					10,805,899	421,046
Net position, beginning of year					51,073,754	4,716,890
Net position, end of year					<u>\$ 61,879,653</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, 2022**

	General	Transportation Trust	Road Paving	Fine and Forfeiture	SHIP	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>								
Equity in pooled cash and cash equivalents	\$ 13,595,734	\$ 239,587	\$ 421,695	\$ 666,052	\$ 563,176	\$ 4,215,945	\$ 2,980,525	\$ 22,682,714
Investments	35,338	2,392,473	-	-	-	-	-	2,427,811
Receivables, net	437,867	-	-	-	-	-	80,410	518,277
Due from other governments	1,433,114	338,707	1,023,149	-	-	-	486,314	3,281,284
Due from other funds	274,527	-	-	-	-	-	13,313	287,840
Prepaid items	49,288	-	-	-	-	-	5,206	54,494
<b>Total Assets</b>	<u>\$ 15,825,868</u>	<u>\$ 2,970,767</u>	<u>\$ 1,444,844</u>	<u>\$ 666,052</u>	<u>\$ 563,176</u>	<u>\$ 4,215,945</u>	<u>\$ 3,565,768</u>	<u>\$ 29,252,420</u>
<b>LIABILITIES</b>								
Accounts payable and accrued liabilities	\$ 1,031,128	\$ 98,817	\$ 943,411	\$ 313,945	\$ 464	\$ 69,750	\$ 181,868	\$ 2,639,383
Due to other governments	35,879	-	-	-	-	-	-	35,879
Due to other funds	251,405	-	-	-	-	-	36,435	287,840
Unearned revenue	-	-	-	-	562,712	-	-	562,712
<b>Total liabilities</b>	<u>1,318,412</u>	<u>98,817</u>	<u>943,411</u>	<u>313,945</u>	<u>563,176</u>	<u>69,750</u>	<u>218,303</u>	<u>3,525,814</u>
<b>FUND BALANCES</b>								
Nonspendable:								
Prepaid items	49,288	-	-	-	-	-	5,206	54,494
Restricted for:								
Health reimbursements	-	-	-	-	-	-	277,103	277,103
Law enforcement	-	-	-	352,107	-	-	937,130	1,289,237
Transportation	-	2,871,950	501,433	-	-	-	-	3,373,383
Recreation	-	-	-	-	-	-	453,935	453,935
Human services	-	-	-	-	-	-	93,500	93,500
Physical environment	-	-	-	-	-	-	38,018	38,018
Crime prevention	-	-	-	-	-	-	51,833	51,833
Court costs	-	-	-	-	-	-	544,191	544,191
Equitable sharing	-	-	-	-	-	-	153,200	153,200
Economic environment	-	-	-	-	-	-	882,403	882,403
Assigned to:								
Capital projects	-	-	-	-	-	4,146,195	-	4,146,195
Jail operations	125,575	-	-	-	-	-	-	125,575
Court operations	287,425	-	-	-	-	-	-	287,425
Subsequent year's budget	622,859	-	-	-	-	-	-	622,859
Unassigned	13,422,309	-	-	-	-	-	(89,054)	13,333,255
<b>Total fund balances</b>	<u>14,507,456</u>	<u>2,871,950</u>	<u>501,433</u>	<u>352,107</u>	<u>-</u>	<u>4,146,195</u>	<u>3,347,465</u>	<u>25,726,606</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 15,825,868</u>	<u>\$ 2,970,767</u>	<u>\$ 1,444,844</u>	<u>\$ 666,052</u>	<u>\$ 563,176</u>	<u>\$ 4,215,945</u>	<u>\$ 3,565,768</u>	<u>\$ 29,252,420</u>

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, 2022**

**Fund balances - total governmental funds** \$ 25,726,606

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	7,221,867	
Total governmental capital assets - depreciable	113,244,328	
Less: accumulated depreciation	<u>(63,448,455)</u>	57,017,740

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	(23,599,570)	
Deferred outflows related to pensions	6,872,657	
Deferred inflows related to pensions	<u>(1,842,790)</u>	(18,569,703)

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	(158,842)	
Leases payable	(1,157,130)	
Compensated absences	<u>(979,018)</u>	(2,294,990)

**Net position of governmental activities** \$ 61,879,653

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, 2022**

	General	Transportation Trust	Road Paving	Fine and Forfeiture	SHIP	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>								
Taxes	\$ 5,620,382	\$ 1,247,189	\$ -	\$ 5,599,652	\$ -	\$ -	\$ 160,974	\$ 12,628,197
Permits and fees	148,861	-	-	-	-	-	187,603	336,464
Intergovernmental	7,032,691	1,418,525	6,041,097	-	663,359	5,673,700	481,536	21,310,908
Charges for services	13,087,162	-	-	-	-	-	1,885,913	14,973,075
Fines and forfeitures	130,581	-	-	380	-	-	129,386	260,347
Investment income	48,383	19,648	-	2,553	1,518	337	3,040	75,479
Miscellaneous	340,178	66,356	-	51,026	-	-	322,991	780,551
Total revenues	<u>26,408,238</u>	<u>2,751,718</u>	<u>6,041,097</u>	<u>5,653,611</u>	<u>664,877</u>	<u>5,674,037</u>	<u>3,171,443</u>	<u>50,365,021</u>
<b>Expenditures</b>								
Current:								
General government	4,782,065	-	-	-	-	-	129,388	4,911,453
Public safety	17,994,730	-	-	2,974,644	-	-	1,718,691	22,688,065
Physical environment	171,315	-	-	-	-	-	866,119	1,037,434
Transportation	-	2,198,105	862,130	-	-	-	-	3,060,235
Economic environment	93,256	-	-	-	-	-	-	93,256
Human services	1,020,011	-	-	-	664,877	251,948	-	1,936,836
Culture and recreation	356,969	-	-	-	-	-	244,742	601,711
Court related	1,253,955	-	-	-	-	-	73,548	1,327,503
Capital outlay	616,098	383,328	5,203,673	-	-	1,012,690	782,645	7,998,434
Debt service:								
Principal retirement	82,147	166,019	-	-	-	-	97,924	346,090
Interest and fiscal charges	7,538	8,575	-	-	-	-	20,191	36,304
Total expenditures	<u>26,378,084</u>	<u>2,756,027</u>	<u>6,065,803</u>	<u>2,974,644</u>	<u>664,877</u>	<u>1,264,638</u>	<u>3,933,248</u>	<u>44,037,321</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>30,154</u>	<u>(4,309)</u>	<u>(24,706)</u>	<u>2,678,967</u>	<u>-</u>	<u>4,409,399</u>	<u>(761,805)</u>	<u>6,327,700</u>
<b>Other financing sources (uses)</b>								
Transfers in	5,344,782	-	-	2,528,403	-	-	357,649	8,230,834
Transfers out	(2,779,729)	-	-	(5,119,487)	-	(263,204)	(68,414)	(8,230,834)
Total other financing sources (uses)	<u>2,565,053</u>	<u>-</u>	<u>-</u>	<u>(2,591,084)</u>	<u>-</u>	<u>(263,204)</u>	<u>289,235</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>2,595,207</u>	<u>(4,309)</u>	<u>(24,706)</u>	<u>87,883</u>	<u>-</u>	<u>4,146,195</u>	<u>(472,570)</u>	<u>6,327,700</u>
<b>Fund balances, beginning of year</b>	11,912,249	2,876,259	526,139	264,224	-	-	3,820,035	19,398,906
<b>Fund balances, end of year</b>	<u>\$ 14,507,456</u>	<u>\$ 2,871,950</u>	<u>\$ 501,433</u>	<u>\$ 352,107</u>	<u>\$ -</u>	<u>\$ 4,146,195</u>	<u>\$ 3,347,465</u>	<u>\$ 25,726,606</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, 2022**

**Net change in fund balances - total governmental funds** \$ 6,327,700

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	7,998,434
Depreciation expense	(3,641,805)
Net book value of disposition of capital assets	(5,963)

Repayment of notes payable, 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	346,090
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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	(324,225)
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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	105,668
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**Change in net position of governmental activities** \$ 10,805,899

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, 2022**

	<b>Custodial Funds</b>
<b>ASSETS</b>	
Cash and equivalents	\$ 1,221,338
Due from other funds	716
<b>Total assets</b>	<b>\$ 1,222,054</b>
 <b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 7,347
Deposits held in escrow	3,885
Due to other governments	424,782
Due to others	585,094
<b>Total liabilities</b>	<b>\$ 1,021,108</b>
 <b>NET POSITION</b>	 <b>\$ 200,946</b>

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, 2022**

	<u>Custodial Funds</u>
<b>Additions</b>	
Taxes	\$ 22,936,494
Seizures	18,429
Permits, fees, and special assessments	2,007,554
Deposits and trusts	1,695,671
Fines and forfeitures	17,040
Miscellaneous	21,538
Court related	497,798
Total additions	<u>27,194,524</u>
<b>Deductions</b>	
Payments to individuals	1,435,326
Payments to other governments	15,134,841
Inmate services	1,104,404
Payments to other funds	8,905,570
Miscellaneous	102,472
Court related	497,798
Total deductions	<u>27,180,411</u>
<b>Net change in fiduciary net position</b>	<u>14,113</u>
<b>Net position, beginning of year</b>	186,833
<b>Net position, end of year</b>	<u><u>\$ 200,946</u></u>

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

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(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, 2022**

(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, 2022**

(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.

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

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.

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

(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

(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.

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

(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 (9).

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 (9).

(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.

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.

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

(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.

(r) **New accounting pronouncements**—GASB Statement No. 87, Leases (the Statement), establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset (RTU), and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The County has implemented this Statement and its various provisions in 2022.



**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

(3) **Deposits and Investments:**

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

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, 2022, 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, 2022, the County had \$2,427,811 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.

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

Transfers from/to other funds for the year ended September 30, 2022, were as follows:

<b>Recipient Fund</b>	<b>Amount Transferred</b>	<b>Reason for Transfer</b>
Fine and Forfeiture	\$ 2,528,403	Transfer from General Fund to aid in operating costs
General Fund	5,344,782	Transfer from fine and forfeiture fund for public safety reimbursements.
Sheriff Special Law Fund	34,797	Transfer from Equitable Sharing Fund for fund reimbursements
12.50 SC Fund	16,317	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	235,000	Transfer from General Fund to aid in operating costs
Court Innovations Trust	6,855	Transfer from Law Library Trust to Court Innovations Trust for funds owed
Court Innovations Trust	6,809	Transfer from Juvenile Trust to Court Innovations Trust for funds owed
	<u>\$ 8,230,834</u>	

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

As of September 30, 2022, interfund balances consisted of:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<b>General Fund</b>	\$ 274,527	\$ 251,405
<b>Non-Major Funds:</b>		
EMS Grant	-	36,435
Equitable Sharing Fund	13,313	-
<b>Total</b>	<u>\$ 287,840</u>	<u>\$ 287,840</u>

(5) **Capital Assets:**

Capital asset activity for the fiscal year ended September 30, 2022, was as follows:

<b>Governmental activities:</b>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 5,427,944	\$ -	\$ -	\$ 5,427,944
Construction in progress	7,384,837	5,512,661	(11,103,575)	1,793,923
Total assets not being depreciated	<u>12,812,781</u>	<u>5,512,661</u>	<u>(11,103,575)</u>	<u>7,221,867</u>
Capital assets being depreciated:				
Building & Improvements	18,383,610	96,037	(564)	18,479,083
Infrastructure	63,048,562	11,103,575	-	74,152,137
Machinery and equipment	16,587,082	2,389,736	(548,405)	18,428,413
Right to use leased machinery and equipment	2,184,695	-	-	2,184,695
Total assets being depreciated	<u>100,203,949</u>	<u>13,589,348</u>	<u>(548,969)</u>	<u>113,244,328</u>
Less accumulated depreciation for:				
Buildings, Improvements	(5,988,876)	(442,446)	564	(6,430,758)
Infrastructure	(40,610,906)	(1,563,064)	-	(42,173,970)
Machinery and equipment	(12,871,608)	(1,206,779)	542,442	(13,535,945)
Right to use leased machinery and equipment	(878,266)	(429,516)	-	(1,307,782)
Total accumulated depreciation	<u>(60,349,656)</u>	<u>(3,641,805)</u>	<u>543,006</u>	<u>(63,448,455)</u>
Total capital assets being depreciated, net	<u>39,854,293</u>	<u>9,947,543</u>	<u>(5,963)</u>	<u>49,795,873</u>
Governmental activities capital assets, net	<u>\$ 52,667,074</u>	<u>\$ 15,460,204</u>	<u>\$ (11,109,538)</u>	<u>\$ 57,017,740</u>

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

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

General Government	\$ 419,042
Public Safety	1,181,201
Physical Environment	121,102
Transportation	1,745,040
Human Service	4,660
Culture and Recreation	25,716
Court Related	145,044
	<b>\$ 3,641,805</b>

Capital assets activity for the Component Units for the year ended September 30, 2022, was as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,635,160	\$ -	\$ -	\$ 1,635,160
Capital assets being depreciated:				
Equipment	1,273,540	-	-	1,273,540
Buildings and improvements	26,636,806	-	-	26,636,806
Right to use leased assets	297,568	22,963		320,531
Total capital assets being depreciated	28,207,914	22,963	-	28,230,877
Less accumulated depreciation on equipment, buildings and improvements	(2,438,086)	(912,116)	-	(3,350,202)
Less accumulated depreciation on right to use leased assets	(11,406)	(20,858)	-	(32,264)
Total capital assets being depreciated, net	25,758,422	(910,011)	-	24,848,411
Total capital assets, net	<b>\$ 27,393,582</b>	<b>\$ (910,011)</b>	<b>\$ -</b>	<b>\$ 26,483,571</b>

(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. \$ 158,842

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(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>
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
<b>Total</b>	<b>\$ 158,842</b>	<b>\$ 7,319</b>	<b>\$ 166,161</b>

*Leases Payable*

The County leases heavy equipment under agreements with 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, 2022, are as follows:

<u>Year Ending September 30,</u>	<u>Payment</u>
2023	\$ 333,940
2024	429,249
2025	118,115
2026	118,116
2027	118,115
2028	118,116
Total minimum lease payments	1,235,651
Less: amount representing interest	78,521
Present value of minimum lease payments	<b>\$ 1,157,130</b>

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, 2022:

	<u>Balance</u> <u>10/01/21</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>09/30/22</u>	<u>Current</u> <u>Portion</u>
Capital lease obligations	\$ 1,460,361	\$ -	\$ (303,231)	\$ 1,157,130	\$ 307,348
Compensated absences	1,084,686	1,486,487	(1,592,155)	979,018	824,854
Notes payable	201,701	-	(42,859)	158,842	43,958
Totals	<b>\$ 2,746,748</b>	<b>\$ 1,486,487</b>	<b>\$ (1,938,245)</b>	<b>\$ 2,294,990</b>	<b>\$ 1,176,160</b>

The following is a summary of changes in long-term debt of the Component Units for the year ended September 30, 2022:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
USDA loan	\$ 29,603,941	-	\$ (883,300)	\$ 28,720,641	\$ 918,042
Capital lease obligations	289,682	22,963	(19,045)	293,600	18,088
Totals	<b>\$ 29,893,623</b>	<b>\$ 22,963</b>	<b>\$ (902,345)</b>	<b>\$ 29,014,241</b>	<b>\$ 936,130</b>

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(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 2022.

*Due to Component Unit*

At September 30, 2022, there was no amount due to the Component Unit from the County's Office.

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(9) **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, 2022**

(9) **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](http://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, 2022, as follows (contribution rates are in agreement with the actuarially determined rates):

<b>FRS Membership Plan &amp; Class</b>	<b>Through June 30, 2022</b>	<b>After June 30, 2022</b>
Regular Class	10.82%	11.91%
Senior Management (SMSC)	29.01%	31.57%
Special Risk	25.89%	27.83%
Elected Official Class	51.42%	57.00%

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, 2022**

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

For the plan year ended June 30, 2022, actual contributions made for employees participating in FRS and HIS were as follows:

Entity Contributions – FRS	\$ 2,275,826
Entity Contributions – HIS	214,537
Employee Contributions – FRS	387,717

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

At September 30, 2022, the entity reported a net pension liability related to FRS and HIS as follows:

Plan	Net Pension Liability
FRS	\$ 19,844,249
HIS	3,755,321
Total	\$ 23,599,570

The net pension liability was measured as of June 30, 2022, 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, 2022 and 2021, the organization's proportionate share of the FRS and HIS net pension liabilities were as follows:

Plan	2022	2021
FRS	0.053333234%	0.051151621%
HIS	0.035455667%	0.034040228%

For the plan year ended June 30, 2022, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	\$ 2,654,332
HIS	230,371
Total	\$ 2,884,703

*Deferred outflows/inflows related to pensions:*

At September 30, 2022, 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	\$942,487	\$ -	\$ 113,983	\$ (16,524)
Changes of assumptions	2,443,902	-	215,257	(580,946)
Net different between projected and actual investment earnings	1,310,313	-	5,437	-
Change in proportionate share	863,144	(1,195,417)	304,519	(49,903)
Contributions subsequent to measurement date	619,084	-	54,531	-
	\$ 6,178,930	\$(1,195,417)	\$693,727	\$ (647,373)



**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(9) **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, 2023.

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:

	<u>FRS</u>	<u>HIS</u>	<u>Total</u>
2023	\$ 1,022,276	\$ (9,638)	\$ 1,012,638
2024	323,750	27,996	351,746
2025	(487,383)	35,248	(452,135)
2026	3,272,893	12,858	3,285,751
2027	232,893	(48,383)	184,510
Thereafter	-	(26,258)	(26,258)
Total	<u>\$ 4,364,429</u>	<u>\$ (8,177)</u>	<u>\$ 4,356,252</u>

*Actuarial assumptions:*

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

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 6.70%. This rate decreased from the prior year rate of 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 2.54% was used to determine the total pension for the program. This rate decreased from the prior year rate, which was 2.16%. 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 2022, 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, 2022**

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

Asset Class	Target Allocation	Long-Term Arithmetic Expected Rate of Return
Cash	1.0%	2.6%
Fixed income	19.8%	4.4%
Global equities	54.0%	8.8%
Real estate	10.3%	7.4%
Private equity	11.1%	12%
Strategic investments	3.8%	6.2%
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	6.70%	\$ 34,319,264	\$ 19,844,249	\$ 7,741,414
HIS	3.54%	4,296,396	23,599,570	3,307,593

(10) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates 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. 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.
- (b) GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.

**BAKER COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(10) **Recent Accounting Pronouncements:**

- (c) GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. The objective of GASB 102 is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The effective date for implementation is fiscal years beginning after June 15, 2024, and all reporting periods thereafter.
  
- (d) GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of GASB 103 improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

**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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 5,275,471	\$ 5,275,471	\$ 5,620,382	\$ 344,911
Permits and fees	124,500	124,500	148,861	24,361
Intergovernmental	6,008,631	6,051,237	7,032,691	981,454
Charges for services	13,062,167	13,169,960	13,087,162	(82,798)
Fines and forfeitures	149,282	149,282	130,581	(18,701)
Investment income	16,733	16,733	48,383	31,650
Miscellaneous	74,184	87,205	340,178	252,973
<b>Total revenues</b>	<u>24,710,968</u>	<u>24,874,388</u>	<u>26,408,238</u>	<u>1,533,850</u>
<b>Expenditures</b>				
Current:				
General government	5,384,112	5,426,953	4,782,065	644,888
Public safety	17,774,312	18,135,131	17,994,730	140,401
Physical environment	309,658	309,658	171,315	138,343
Economic environment	89,627	89,627	93,256	(3,629)
Human services	800,225	800,225	1,020,011	(219,786)
Culture and recreation	479,498	479,498	356,969	122,529
Court related	1,093,770	1,214,103	1,253,955	(39,852)
Capital outlay	11,000	11,000	616,098	(605,098)
Debt service:				
Principal retirement	-	-	82,147	(82,147)
Interest and fiscal charges	3,765	3,765	7,538	(3,773)
<b>Total expenditures</b>	<u>25,945,967</u>	<u>26,469,960</u>	<u>26,378,084</u>	<u>91,876</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,234,999)</u>	<u>(1,595,572)</u>	<u>30,154</u>	<u>1,625,726</u>
<b>Other financing sources (uses)</b>				
Transfers in	72,359	72,359	5,344,782	5,272,423
Transfers out	(3,463,828)	(3,463,828)	(2,779,729)	684,099
Appropriations to constitutional officers	4,778,954	5,072,595	-	(5,072,595)
Reversions from constitutional officers	(20,332)	40,592	-	(40,592)
<b>Total other financing sources (uses)</b>	<u>1,367,153</u>	<u>1,721,718</u>	<u>2,565,053</u>	<u>843,335</u>
<b>Net change in fund balances</b>	<u>132,154</u>	<u>126,146</u>	<u>2,595,207</u>	<u>2,469,061</u>
<b>Fund balances, beginning of year</b>	11,912,249	11,912,249	11,912,249	-
<b>Fund balances, end of year</b>	<u>\$ 12,044,403</u>	<u>\$ 12,038,395</u>	<u>\$ 14,507,456</u>	<u>\$ 2,469,061</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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,109,511	\$ 1,109,511	\$ 1,247,189	\$ 137,678
Intergovernmental	1,380,200	1,380,200	1,418,525	38,325
Investment income	9,000	9,000	19,648	10,648
Miscellaneous	40,000	40,000	66,356	26,356
Total revenues	<u>2,538,711</u>	<u>2,538,711</u>	<u>2,751,718</u>	<u>213,007</u>
<b>Expenditures</b>				
Current:				
Transportation	3,285,760	3,285,760	2,198,105	1,087,655
Capital outlay	337,605	337,605	383,328	(45,723)
Debt service:				
Principal retirement	-	-	166,019	(166,019)
Interest and fiscal charges	-	-	8,575	(8,575)
Total expenditures	<u>3,623,365</u>	<u>3,623,365</u>	<u>2,756,027</u>	<u>867,338</u>
<b>Net change in fund balances</b>	<u>(1,084,654)</u>	<u>(1,084,654)</u>	<u>(4,309)</u>	<u>1,080,345</u>
<b>Fund balances, beginning of year</b>	2,876,259	2,876,259	2,876,259	-
<b>Fund balances, end of year</b>	<u>\$ 1,791,605</u>	<u>\$ 1,791,605</u>	<u>\$ 2,871,950</u>	<u>\$ 1,080,345</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 - ROAD PAVING FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 17,150,313	\$ 17,150,313	\$ 6,041,097	\$ (11,109,216)
<b>Expenditures</b>				
Current:				
Transportation	2,744,150	2,744,150	862,130	1,882,020
Capital outlay	14,406,163	14,406,163	5,203,673	9,202,490
Total expenditures	<u>17,150,313</u>	<u>17,150,313</u>	<u>6,065,803</u>	<u>11,084,510</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>(24,706)</u>	<u>(24,706)</u>
<b>Fund balances, beginning of year</b>	526,139	526,139	526,139	-
<b>Fund balances, end of year</b>	<u>\$ 526,139</u>	<u>\$ 526,139</u>	<u>\$ 501,433</u>	<u>\$ (24,706)</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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 5,221,404	\$ 5,221,404	\$ 5,599,652	\$ 378,248
Intergovernmental	228,000	228,000	-	(228,000)
Fines and forfeitures	300	300	380	80
Investment income	500	500	2,553	2,053
Miscellaneous	17,000	17,000	51,026	34,026
<b>Total revenues</b>	<u>5,467,204</u>	<u>5,467,204</u>	<u>5,653,611</u>	<u>186,407</u>
<b>Expenditures</b>				
Current:				
Public safety	3,359,484	3,359,484	2,974,644	384,840
<b>Total expenditures</b>	<u>3,359,484</u>	<u>3,359,484</u>	<u>2,974,644</u>	<u>384,840</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,107,720</u>	<u>2,107,720</u>	<u>2,678,967</u>	<u>571,247</u>
<b>Other financing sources (uses)</b>				
Transfers in	3,003,775	3,003,775	2,528,403	(475,372)
Transfers out	(5,111,495)	(5,111,495)	(5,119,487)	(7,992)
<b>Total other financing sources (uses)</b>	<u>(2,107,720)</u>	<u>(2,107,720)</u>	<u>(2,591,084)</u>	<u>(483,364)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>87,883</u>	<u>87,883</u>
<b>Fund balances, beginning of year</b>	264,224	264,224	264,224	-
<b>Fund balances, end of year</b>	<u>\$ 264,224</u>	<u>\$ 264,224</u>	<u>\$ 352,107</u>	<u>\$ 87,883</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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 241,618	\$ 241,618	\$ 663,359	\$ 421,741
Investment income	850	850	1,518	668
Total revenues	<u>242,468</u>	<u>242,468</u>	<u>664,877</u>	<u>422,409</u>
<b>Expenditures</b>				
Current:				
Economic environment	-	-	-	-
Human services	830,883	830,883	664,877	166,006
Total expenditures	<u>830,883</u>	<u>830,883</u>	<u>664,877</u>	<u>166,006</u>
<b>Net change in fund balances</b>	<u>(588,415)</u>	<u>(588,415)</u>	<u>-</u>	<u>588,415</u>
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	<u><u>\$ (588,415)</u></u>	<u><u>\$ (588,415)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 588,415</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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 5,673,700	\$ 5,673,700
Investment income	-	-	337	337
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>5,674,037</u>	<u>5,674,037</u>
<b>Expenditures</b>				
Current:				
Human services	-	-	251,948	251,948
Capital outlay	-	-	1,012,690	1,012,690
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>1,264,638</u>	<u>1,264,638</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>4,409,399</u>	<u>4,409,399</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Appropriations to constitutional officers	-	-	(263,204)	(263,204)
Reversions from constitutional officers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(263,204)</u>	<u>(263,204)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>4,146,195</u>	<u>4,146,195</u>
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,146,195</u>	<u>\$ 4,146,195</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, 2022**

**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.

**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,							
	2022	2021	2020	2019	2018	2017	2016	
<b>Florida Retirement System (FRS)</b>								
Proportion of the net pension liability	0.053333233%	0.051151621%	0.055667836%	0.054654622%	0.055003836%	0.054897926%	0.055978745%	0.056326104%
Proportionate share of the net pension liability	\$ 19,844,249	\$ 3,863,924	\$ 24,127,261	\$ 18,822,291	\$ 16,657,441	\$ 16,238,437	\$ 14,134,677	\$ 7,275,272
Covered payroll	12,923,894	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	153.55%	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	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
<b>Health Insurance Subsidy Program (HIS)</b>								
Proportion of the net pension liability	0.035455667%	0.034040228%	0.033528808%	0.032651738%	0.032606414%	0.031526930%	0.031886264%	0.033689953%
Proportionate share of the net pension liability	\$ 3,755,321	\$ 4,175,546	\$ 4,093,813	\$ 3,653,403	\$ 3,451,099	\$ 3,371,004	\$ 3,716,212	\$ 3,435,846
Covered payroll	12,923,894	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	29.06%	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	4.81%	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)**

	<b>For the Plan Year Ending June 30,</b>							
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Florida Retirement System (FRS)</b>								
Contractually required contribution	\$ 2,343,423	\$ 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	<u>(2,343,423)</u>	<u>(1,948,656)</u>	<u>(1,849,596)</u>	<u>(1,694,688)</u>	<u>(1,567,565)</u>	<u>(1,538,209)</u>	<u>(1,365,131)</u>	<u>(1,373,194)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$13,075,574	\$11,639,205	\$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	17.92%	16.74%	16.93%	15.52%	14.72%	15.30%	13.66%	13.57%
<b>Health Insurance Subsidy Program (HIS)</b>								
Contractually required contribution	\$ 217,055	\$ 200,089	\$ 193,211	\$ 181,312	\$ 176,825	\$ 166,859	\$ 163,437	\$ 138,657
Contributions in relation to the contractually required contribution	<u>(217,055)</u>	<u>(200,089)</u>	<u>(193,211)</u>	<u>(181,312)</u>	<u>(176,825)</u>	<u>(166,859)</u>	<u>(163,437)</u>	<u>(138,657)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$13,075,574	\$11,639,205	\$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%	1.72%	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, 2022**

	<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>
<b>ASSETS</b>									
Cash and cash equivalents	\$ 12,402,014	\$ 489,655	\$ 53,838	\$ 33,535	\$ 196,464	\$ 420,228	\$ 13,595,734	\$ -	\$ 13,595,734
Investments	35,338	-	-	-	-	-	35,338	-	35,338
Receivables, net	372,950	52,825	-	-	-	12,092	437,867	-	437,867
Due from other governments	1,092,025	308,073	-	-	-	33,016	1,433,114	-	1,433,114
Due from other funds	641,608	-	-	-	-	-	641,608	(367,081)	274,527
Prepaid items	-	49,288	-	-	-	-	49,288	-	49,288
<b>Total Assets</b>	<u>\$ 14,543,935</u>	<u>\$ 899,841</u>	<u>\$ 53,838</u>	<u>\$ 33,535</u>	<u>\$ 196,464</u>	<u>\$ 465,336</u>	<u>\$ 16,192,949</u>	<u>\$ (367,081)</u>	<u>\$ 15,825,868</u>
<b>LIABILITIES</b>									
Accounts payable and accrued liabilities	\$ 260,675	\$ 711,665	\$ -	\$ 8,733	\$ 776	\$ 49,279	\$ 1,031,128	\$ -	\$ 1,031,128
Due to other governments	-	-	4,447	-	-	31,432	35,879	-	35,879
Due to other funds	238,092.00	13,313	49,391	24,802	195,688	97,200	618,486	(367,081)	251,405
Total liabilities	<u>498,767</u>	<u>724,978</u>	<u>53,838</u>	<u>33,535</u>	<u>196,464</u>	<u>177,911</u>	<u>1,685,493</u>	<u>(367,081)</u>	<u>1,318,412</u>
<b>FUND BALANCES</b>									
Nonspendable:									
Prepaid items	-	49,288	-	-	-	-	49,288	-	49,288
Assigned to:									
Jail operations	-	125,575	-	-	-	-	125,575	-	125,575
Court operations	-	-	-	-	-	287,425	287,425	-	287,425
Subsequent year's budget	622,859	-	-	-	-	-	622,859	-	622,859
Unassigned	13,422,309	-	-	-	-	-	13,422,309	-	13,422,309
Total fund balances	<u>14,045,168</u>	<u>174,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>287,425</u>	<u>14,507,456</u>	<u>-</u>	<u>14,507,456</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 14,543,935</u>	<u>\$ 899,841</u>	<u>\$ 53,838</u>	<u>\$ 33,535</u>	<u>\$ 196,464</u>	<u>\$ 465,336</u>	<u>\$ 16,192,949</u>	<u>\$ (367,081)</u>	<u>\$ 15,825,868</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, 2022**

	<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>
<b>Revenues</b>									
Taxes	\$ 5,620,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,620,382	\$ -	\$ 5,620,382
Permits and fees	148,861	-	-	-	-	-	148,861	-	148,861
Intergovernmental	6,013,119	582,382	-	-	-	437,190	7,032,691	-	7,032,691
Charges for services	1,093,894	10,623,719	108,928	-	818,899	441,722	13,087,162	-	13,087,162
Fines and forfeitures	17,945	-	-	-	-	112,636	130,581	-	130,581
Investment income	45,586	871	-	-	144	1,782	48,383	-	48,383
Miscellaneous	149,378	189,220	-	-	-	1,580	340,178	-	340,178
<b>Total revenues</b>	<u>13,089,165</u>	<u>11,396,192</u>	<u>108,928</u>	<u>-</u>	<u>819,043</u>	<u>994,910</u>	<u>26,408,238</u>	<u>-</u>	<u>26,408,238</u>
<b>Expenditures</b>									
<b>Current:</b>									
General government	2,090,816	-	739,949	577,037	853,177	521,086	4,782,065	-	4,782,065
Public safety	1,986,193	16,008,537	-	-	-	-	17,994,730	-	17,994,730
Physical environment	171,315	-	-	-	-	-	171,315	-	171,315
Economic environment	93,256	-	-	-	-	-	93,256	-	93,256
Human services	1,020,011	-	-	-	-	-	1,020,011	-	1,020,011
Culture and recreation	356,969	-	-	-	-	-	356,969	-	356,969
Court related	2,032	351,635	-	-	-	900,288	1,253,955	-	1,253,955
Capital outlay	182,016	434,082	-	-	-	-	616,098	-	616,098
Debt service:									
Principal retirement	82,147	-	-	-	-	-	82,147	-	82,147
Interest and fiscal charges	7,538	-	-	-	-	-	7,538	-	7,538
<b>Total expenditures</b>	<u>5,992,293</u>	<u>16,794,254</u>	<u>739,949</u>	<u>577,037</u>	<u>853,177</u>	<u>1,421,374</u>	<u>26,378,084</u>	<u>-</u>	<u>26,378,084</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>7,096,872</u>	<u>(5,398,062)</u>	<u>(631,021)</u>	<u>(577,037)</u>	<u>(34,134)</u>	<u>(426,464)</u>	<u>30,154</u>	<u>-</u>	<u>30,154</u>
<b>Other financing sources (uses)</b>									
Transfers in	5,695	-	-	-	-	14,267	19,962	5,324,820	5,344,782
Transfers out	(2,778,026)	-	-	-	-	-	(2,778,026)	(1,703)	(2,779,729)
Appropriations to constitutional officers	(1,973,528)	5,382,691	680,412	601,179	229,802	404,264	5,324,820	(5,324,820)	-
Reversions from constitutional officers	342,182	(1,703)	(49,391)	(24,142)	(195,668)	(72,981)	(1,703)	1,703	-
<b>Total other financing sources (uses)</b>	<u>(4,403,677)</u>	<u>5,380,988</u>	<u>631,021</u>	<u>577,037</u>	<u>34,134</u>	<u>345,550</u>	<u>2,565,053</u>	<u>-</u>	<u>2,565,053</u>
<b>Net change in fund balances</b>	<u>2,693,195</u>	<u>(17,074)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(80,914)</u>	<u>2,595,207</u>	<u>-</u>	<u>2,595,207</u>
<b>Fund balances, beginning of year</b>	11,351,973	191,937	-	-	-	368,339	11,912,249	-	11,912,249
<b>Fund balances, end of year</b>	<u>\$ 14,045,168</u>	<u>\$ 174,863</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287,425</u>	<u>\$ 14,507,456</u>	<u>\$ -</u>	<u>\$ 14,507,456</u>

See accompanying notes to financial statements.



**BAKER COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	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
<b>ASSETS</b>																
Equity in pooled cash and cash equivalents	\$ 16,861	\$ 75,097	\$ -	\$ 277,603	\$ 882,403	\$ -	\$ 1,711	\$ -	\$ 51,833	\$ 741	\$ 38,018	\$ 79,377	\$ 1,577	\$ 1,235	\$ 297,757	\$ 70,593
Receivables, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	18,995	-	-	-	-	-	-	-	-	-	-	-	-	-	92,157
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 16,861</u>	<u>\$ 94,092</u>	<u>\$ -</u>	<u>\$ 277,603</u>	<u>\$ 882,403</u>	<u>\$ -</u>	<u>\$ 1,711</u>	<u>\$ -</u>	<u>\$ 51,833</u>	<u>\$ 741</u>	<u>\$ 38,018</u>	<u>\$ 79,377</u>	<u>\$ 1,577</u>	<u>\$ 1,235</u>	<u>\$ 297,757</u>	<u>\$ 162,750</u>
<b>LIABILITIES</b>																
Accounts payable and accrued liabilities	\$ 28,301	\$ 592	\$ -	\$ 500	\$ -	\$ -	\$ 1,713	\$ -	\$ -	\$ 41,918	\$ -	\$ -	\$ 1,577	\$ -	\$ 6,572	\$ -
Due to other funds	-	-	36,435	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>28,301</u>	<u>592</u>	<u>36,435</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>1,713</u>	<u>-</u>	<u>-</u>	<u>41,918</u>	<u>-</u>	<u>-</u>	<u>1,577</u>	<u>-</u>	<u>6,572</u>	<u>-</u>
<b>FUND BALANCES</b>																
Nonspendable:																
Prepaid items																
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted for:																
Health reimbursements																
-	-	-	277,103	-	-	-	-	-	-	-	-	-	-	-	-	-
Law enforcement																
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,235	-	-
Recreation																
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	291,185	162,750
Physical environment																
-	93,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Human services																
-	-	-	-	-	-	-	-	-	-	-	38,018	-	-	-	-	-
Crime prevention																
-	-	-	-	-	-	-	-	-	51,833	-	-	-	-	-	-	-
Court costs																
-	-	-	-	-	-	-	-	-	-	-	-	79,377	-	-	-	-
Economic environment																
-	-	-	-	882,403	-	-	-	-	-	-	-	-	-	-	-	-
Equitable sharing																
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned																
(11,440)	-	(36,435)	-	-	-	(2)	-	-	-	(41,177)	-	-	-	-	-	-
<b>Total fund balances</b>	<u>(11,440)</u>	<u>93,500</u>	<u>(36,435)</u>	<u>277,103</u>	<u>882,403</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>51,833</u>	<u>(41,177)</u>	<u>38,018</u>	<u>79,377</u>	<u>-</u>	<u>1,235</u>	<u>291,185</u>	<u>162,750</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 16,861</u>	<u>\$ 94,092</u>	<u>\$ -</u>	<u>\$ 277,603</u>	<u>\$ 882,403</u>	<u>\$ -</u>	<u>\$ 1,711</u>	<u>\$ -</u>	<u>\$ 51,833</u>	<u>\$ 741</u>	<u>\$ 38,018</u>	<u>\$ 79,377</u>	<u>\$ 1,577</u>	<u>\$ 1,235</u>	<u>\$ 297,757</u>	<u>\$ 162,750</u>

See accompanying notes to financial statements.

**BAKER COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	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
<b>ASSETS</b>													
Equity in pooled cash and cash equivalents	\$ 191,734	\$ 5,147	\$ 139,887	\$ -	\$ 81,165	\$ 270,495	\$ 91,446	\$ (38,900)	\$ 297,010	\$ 41	\$ 105,833	\$ 41,861	\$ 2,980,525
Receivables, net	-	-	-	-	-	-	-	-	80,410	-	-	-	80,410
Due from other governments	-	-	-	-	-	-	137,307	38,900	-	-	17,724	181,231	486,314
Due from other funds	-	-	13,313	-	-	-	-	-	-	-	-	-	13,313
Prepaid items	-	-	-	-	-	-	3,747	-	-	-	-	1,459	5,206
<b>Total Assets</b>	<u>\$ 191,734</u>	<u>\$ 5,147</u>	<u>\$ 153,200</u>	<u>\$ -</u>	<u>\$ 81,165</u>	<u>\$ 270,495</u>	<u>\$ 232,500</u>	<u>\$ -</u>	<u>\$ 377,420</u>	<u>\$ 41</u>	<u>\$ 123,557</u>	<u>\$ 224,551</u>	<u>\$ 3,565,768</u>
<b>LIABILITIES</b>													
Accounts payable and accrued liabilities	\$ -	\$ 2,562	\$ -	\$ -	\$ 81,165	\$ -	\$ 155	\$ -	\$ 6,008	\$ -	\$ -	\$ 10,805	\$ 181,868
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-	36,435
<b>Total liabilities</b>	<u>-</u>	<u>2,562</u>	<u>-</u>	<u>-</u>	<u>81,165</u>	<u>-</u>	<u>155</u>	<u>-</u>	<u>6,008</u>	<u>-</u>	<u>-</u>	<u>10,805</u>	<u>218,303</u>
<b>FUND BALANCES</b>													
Nonspendable:													
Prepaid items	-	-	-	-	-	-	3,747	-	-	-	-	1,459	5,206
Restricted for:													
Health reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	277,103
Law enforcement	-	-	-	-	-	-	228,598	-	371,412	41	123,557	212,287	937,130
Recreation	-	-	-	-	-	-	-	-	-	-	-	-	453,935
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	93,500
Human services	-	-	-	-	-	-	-	-	-	-	-	-	38,018
Crime prevention	-	-	-	-	-	-	-	-	-	-	-	-	51,833
Court costs	191,734	2,585	-	-	-	270,495	-	-	-	-	-	-	544,191
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	882,403
Equitable sharing	-	-	153,200	-	-	-	-	-	-	-	-	-	153,200
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-	(89,054)
<b>Total fund balances</b>	<u>191,734</u>	<u>2,585</u>	<u>153,200</u>	<u>-</u>	<u>-</u>	<u>270,495</u>	<u>232,345</u>	<u>-</u>	<u>371,412</u>	<u>41</u>	<u>123,557</u>	<u>213,746</u>	<u>3,347,465</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 191,734</u>	<u>\$ 5,147</u>	<u>\$ 153,200</u>	<u>\$ -</u>	<u>\$ 81,165</u>	<u>\$ 270,495</u>	<u>\$ 232,500</u>	<u>\$ -</u>	<u>\$ 377,420</u>	<u>\$ 41</u>	<u>\$ 123,557</u>	<u>\$ 224,551</u>	<u>\$ 3,565,768</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, 2022**

	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
<b>REVENUES</b>																
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 160,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	18,995	4,678	-	-	-	-	-	-	93,750	-	-	-	-	-	10,142
Charges for services	871,457	-	-	-	-	-	-	-	-	483,050	-	-	-	-	27,364	-
Fines and forfeitures	-	-	-	-	-	6,823	6,823	6,768	11,742	-	304	39,532	6,270	-	-	-
Investment income	(360)	16	78	60	778	32	494	32	69	25	10	237	-	-	49	95
Miscellaneous	13,135	-	-	47,500	-	-	-	-	-	17,197	-	-	-	-	206,049	-
<b>Total revenues</b>	<b>884,232</b>	<b>19,011</b>	<b>4,756</b>	<b>47,560</b>	<b>161,752</b>	<b>6,855</b>	<b>7,317</b>	<b>6,800</b>	<b>11,811</b>	<b>594,022</b>	<b>314</b>	<b>39,769</b>	<b>6,270</b>	<b>-</b>	<b>233,462</b>	<b>10,237</b>
<b>EXPENDITURES</b>																
Current:																
General government	-	-	-	116,295	-	-	6,823	-	-	-	-	-	6,270	-	-	-
Public safety	889,270	-	(15,344)	-	-	-	-	4	-	-	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	866,119	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	70,589	-	-	50,970	4	-	-	-	-	-	-	-	-	123,179	-
Court related	-	-	-	-	-	-	-	-	-	-	-	42,141	-	-	-	-
Capital outlay	355,152	-	69,918	-	-	-	-	-	-	33,330	-	20,938	-	-	20,194	4,748
Debt service:																
Principal retirement	97,924	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	20,191	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>1,362,537</b>	<b>70,589</b>	<b>54,574</b>	<b>116,295</b>	<b>50,970</b>	<b>4</b>	<b>6,823</b>	<b>4</b>	<b>-</b>	<b>899,449</b>	<b>-</b>	<b>63,079</b>	<b>6,270</b>	<b>-</b>	<b>143,373</b>	<b>4,748</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(478,305)</b>	<b>(51,578)</b>	<b>(49,818)</b>	<b>(68,735)</b>	<b>110,782</b>	<b>6,851</b>	<b>494</b>	<b>6,796</b>	<b>11,811</b>	<b>(305,427)</b>	<b>314</b>	<b>(23,310)</b>	<b>-</b>	<b>-</b>	<b>90,089</b>	<b>5,489</b>
<b>Other financing sources (uses)</b>																
Issuance of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	235,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(6,855)	-	(6,800)	-	-	-	-	-	-	-	-
Appropriations to constitutional officers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversions from constitutional officers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(6,855)	-	(6,800)	-	235,000	-	-	-	-	-	-
<b>Net change in fund balances</b>	<b>(478,305)</b>	<b>(51,578)</b>	<b>(49,818)</b>	<b>(68,735)</b>	<b>110,782</b>	<b>(4)</b>	<b>494</b>	<b>(4)</b>	<b>11,811</b>	<b>(70,427)</b>	<b>314</b>	<b>(23,310)</b>	<b>-</b>	<b>-</b>	<b>90,089</b>	<b>5,489</b>
<b>Fund balances, beginning of year</b>	<b>466,865</b>	<b>145,078</b>	<b>13,383</b>	<b>345,838</b>	<b>771,621</b>	<b>4</b>	<b>(496)</b>	<b>4</b>	<b>40,022</b>	<b>29,250</b>	<b>37,704</b>	<b>102,687</b>	<b>-</b>	<b>1,235</b>	<b>201,096</b>	<b>157,261</b>
<b>Fund balances, end of year</b>	<b>\$ (11,440)</b>	<b>\$ 93,500</b>	<b>\$ (36,435)</b>	<b>\$ 277,103</b>	<b>\$ 882,403</b>	<b>\$ -</b>	<b>\$ (2)</b>	<b>\$ -</b>	<b>\$ 51,833</b>	<b>\$ (41,177)</b>	<b>\$ 38,018</b>	<b>\$ 79,377</b>	<b>\$ -</b>	<b>\$ 1,235</b>	<b>\$ 291,185</b>	<b>\$ 162,750</b>

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, 2022**

	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
<b>REVENUES</b>													
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,974
Permits and fees	-	-	-	-	-	-	187,603	-	-	-	-	-	187,603
Intergovernmental	-	-	34,797	-	-	-	76,172	-	-	-	79,757	163,245	481,536
Charges for services	-	-	-	-	5,695	43,064	-	-	455,283	-	-	-	1,885,913
Fines and forfeitures	6,823	11,817	-	-	-	28,437	-	-	-	4,047	-	-	129,386
Investment income	60	-	26	-	-	629	222	-	-	11	323	154	3,040
Miscellaneous	-	-	-	-	-	-	-	34,797	4,313	-	-	-	322,991
<b>Total revenues</b>	<b>6,883</b>	<b>11,817</b>	<b>34,823</b>	<b>-</b>	<b>5,695</b>	<b>72,130</b>	<b>263,997</b>	<b>34,797</b>	<b>459,596</b>	<b>4,058</b>	<b>80,080</b>	<b>163,399</b>	<b>3,171,443</b>
<b>EXPENDITURES</b>													
Current:													
General government	-	-	-	-	-	-	-	-	-	-	-	-	129,388
Public safety	-	28,187	-	-	-	-	205,807	(140,527)	503,103	5,246	50,464	192,481	1,718,691
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	866,119
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-	244,742
Court related	1,019	-	-	-	-	30,388	-	-	-	-	-	-	73,548
Capital outlay	-	-	-	-	-	-	-	179,427	98,938	-	-	-	782,645
Debt service:													
Principal retirement	-	-	-	-	-	-	-	-	-	-	-	-	97,924
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	20,191
<b>Total expenditures</b>	<b>1,019</b>	<b>28,187</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,388</b>	<b>205,807</b>	<b>38,900</b>	<b>602,041</b>	<b>5,246</b>	<b>50,464</b>	<b>192,481</b>	<b>3,933,248</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>5,864</b>	<b>(16,370)</b>	<b>34,823</b>	<b>-</b>	<b>5,695</b>	<b>41,742</b>	<b>58,190</b>	<b>(4,103)</b>	<b>(142,445)</b>	<b>(1,188)</b>	<b>29,616</b>	<b>(29,082)</b>	<b>(761,805)</b>
<b>Other financing sources (uses)</b>													
Issuance of debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	13,664	16,317	34,797	-	-	-	-	-	-	-	-	57,871	357,649
Transfers out	-	-	-	-	(5,695)	(14,267)	-	(34,797)	-	-	-	-	(68,414)
Appropriations to constitutional officers	-	-	(38,900)	-	-	-	-	38,900	-	-	-	-	-
Reversions from constitutional officers	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>13,664</b>	<b>16,317</b>	<b>(4,103)</b>	<b>-</b>	<b>(5,695)</b>	<b>(14,267)</b>	<b>-</b>	<b>4,103</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,871</b>	<b>289,235</b>
<b>Net change in fund balances</b>	<b>19,528</b>	<b>(53)</b>	<b>30,720</b>	<b>-</b>	<b>-</b>	<b>27,475</b>	<b>58,190</b>	<b>-</b>	<b>(142,445)</b>	<b>(1,188)</b>	<b>29,616</b>	<b>28,789</b>	<b>(472,570)</b>
<b>Fund balances, beginning of year</b>	<b>172,206</b>	<b>2,638</b>	<b>122,480</b>	<b>-</b>	<b>-</b>	<b>243,020</b>	<b>174,155</b>	<b>-</b>	<b>513,857</b>	<b>1,229</b>	<b>93,941</b>	<b>184,957</b>	<b>3,820,035</b>
<b>Fund balances, end of year</b>	<b>\$ 191,734</b>	<b>\$ 2,585</b>	<b>\$ 153,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 270,495</b>	<b>\$ 232,345</b>	<b>\$ -</b>	<b>\$ 371,412</b>	<b>\$ 41</b>	<b>\$ 123,557</b>	<b>\$ 213,746</b>	<b>\$ 3,347,465</b>

See accompanying notes to financial statements.

**BAKER COUNTY, FLORIDA**  
**COMBINING SCHEDULE OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2022**

	<u>Clerk of Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Total Custodial Funds</u>
<b>ASSETS</b>				
Cash and equivalents	\$ 497,131	\$ 283,166	\$ 441,041	\$ 1,221,338
Other receivables	716	-	-	716
Total assets	<u>\$ 497,847</u>	<u>\$ 283,166</u>	<u>\$ 441,041</u>	<u>\$ 1,222,054</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 177	\$ -	\$ 7,170	\$ 7,347
Deposits held in escrow	-	-	3,885	3,885
Due to other governments	-	-	424,782	424,782
Due to others	497,670	82,220	5,204	585,094
Total liabilities	<u>\$ 497,847</u>	<u>\$ 82,220</u>	<u>\$ 441,041</u>	<u>\$ 1,021,108</u>
<b>NET POSITION</b>	<u>\$ -</u>	<u>\$ 200,946</u>	<u>\$ -</u>	<u>\$ 200,946</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, 2022**

	<u>Clerk of Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Total Custodial Funds</u>
<b>Additions</b>				
Taxes	\$ -	\$ -	\$ 22,936,494	\$ 22,936,494
Seizures	-	18,429	-	18,429
Permits, fees, and special assessments	-	7,113	2,000,441	2,007,554
Deposits and trusts	-	1,449,401	246,270	1,695,671
Fines and forfeitures	-	17,040	-	17,040
Miscellaneous	-	1,862	19,676	21,538
Court related	497,798	-	-	497,798
Total additions	<u>497,798</u>	<u>1,493,845</u>	<u>25,202,881</u>	<u>27,194,524</u>
<b>Deductions</b>				
Payments to individuals	-	332,373	1,102,953	1,435,326
Payments to other governments	-	15,427	15,119,414	15,134,841
Inmate services	-	1,104,404	-	1,104,404
Payments to other funds	-	14,199	8,891,371	8,905,570
Miscellaneous	-	13,329	89,143	102,472
Court related	497,798	-	-	497,798
Total deductions	<u>497,798</u>	<u>1,479,732</u>	<u>25,202,881</u>	<u>27,180,411</u>
<b>Net change in fiduciary net position</b>	<u>-</u>	<u>14,113</u>	<u>-</u>	<u>14,113</u>
<b>Net position, beginning of year</b>	-	186,833	-	186,833
<b>Net position, end of year</b>	<u>\$ -</u>	<u>\$ 200,946</u>	<u>\$ -</u>	<u>\$ 200,946</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, 2022**

Federal/State Grantor/Pass Through Grantor/Program Title	AL/ CSFA Number	Contract Number	Expenditures
<b>FEDERAL AGENCY</b>			
<b>Department of the Interior</b>			
Direct:			
Fish and Wildlife Service National Wildlife Refuge Grant	15.659	N/A	\$ 4,072
Payments in Lieu of Taxes	15.226	N/A	190,300
<b>Total Department of the Interior</b>			<u>194,372</u>
<b>Department of Justice</b>			
Direct:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	15,889
Bulletproof Vest Partnership Program	16.607	N/A	6,731
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2020-CESF-BAKE-1-C9-086	15,950
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2021-JAGC-BAKE-2-Y5-178	5,841
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2021-JAGC-BAKE-1-38-037	23,107
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2022-JAGD-BAKE-1-48-036	2,957
			<u>47,855</u>
Passed through the Florida Attorney General:			
Crime Victim Assistance	16.575	VOCA-2020-BCSO-00656	46,799
<b>Total Department of Justice</b>			<u>117,274</u>
<b>Department of Transportation</b>			
Passed through the Florida Department of Transportation:			
Highway Planning & Construction	20.205	G1K51	1,155
National Priority Safety Programs	20.616	G1T100	25,000
<b>Total Department of Transportation</b>			<u>26,155</u>
<b>Department of Homeland Security</b>			
Passed through Florida Division of Emergency Management:			
Emergency Management Performance Grant	97.042	G0096	43,513
Emergency Management Performance Grant	97.042	G0332	13,926
<b>Total Department of Homeland Security</b>			<u>57,439</u>
<b>Department of the Treasury</b>			
Passed through Florida Division of Emergency Management:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	5,673,700
<b>Total Department of the Treasury</b>			<u>5,673,700</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 6,068,940</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, 2022**  
**(CONTINUED)**

Federal/State Grantor/Pass Through Grantor/Program Title	AL/ CSFA Number	Contract Number	Expenditures
<b>STATE AGENCY</b>			
<b>Florida Department of Education</b>			
Direct:			
Coach Aaron Feis Guardian Program	48.140	96Y-90210-1D001	101,996
<b>Total Florida Department of Education</b>			<u>101,996</u>
<b>Florida Department of Economic Opportunity</b>			
Direct:			
Economic Development Tax Refund, Tax Credit, and Grant Program	40.043	G0040	1,726,244
<b>Total Florida Department of Economic Opportunity</b>			<u>1,726,244</u>
<b>Florida Department of State</b>			
Direct:			
State Aid to Libraries	45.030	2L193	48,438
<b>Total Florida Department of State</b>			<u>48,438</u>
<b>Florida Department of Transportation</b>			
Direct:			
County Incentive Grant Program	55.008	G0634	279,373
County Incentive Grant Program	55.008	G1850	3,025
Total County Incentive Grant Program			<u>282,398</u>
Small County Outreach Program	55.009	G0Y94	1,531
Small County Outreach Program	55.009	G0L19	141,333
Small County Outreach Program	55.009	G1H13	10,912
Small County Outreach Program	55.009	G1253	246,968
Small County Outreach Program	55.009	G1E11	2,903
Small County Outreach Program	55.009	G1E12	540,114
Small County Outreach Program	55.009	G2073	74,348
Small County Outreach Program	55.009	G2074	36,995
Total Small County Outreach Program			<u>1,055,104</u>
Small County Road Assistance Program	55.016	G0T84	2,957,549
Small County Road Assistance Program	55.016	G1254	19,802
Total Small County Road Assistance Program			<u>2,977,351</u>
<b>Total Florida Department of Transportation</b>			<u>4,314,853</u>
<b>Florida Department of Health</b>			
Direct:			
County Grant Awards	64.005	C9002	4,678
<b>Total Florida Department of Health</b>			<u>4,678</u>
<b>Executive Office of the Governor</b>			
Direct:			
Emergency Management Programs	31.063	A0218	105,806
<b>Total Executive Office of the Governor</b>			<u>105,806</u>
<b>Florida Housing Finance Corporation</b>			
Direct:			
State Housing Initiatives Partnership Program	40.901	N/A	663,359
<b>Total Florida Housing Finance Corporation</b>			<u>663,359</u>
<b>Florida Department of Environmental Protection</b>			
Direct:			
Small County Consolidated Grants	37.012	SC201	93,750
<b>Total Florida Department of Environmental Protection</b>			<u>93,750</u>
<b>Florida Department of Management Services</b>			
Direct:			
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	19-04-01	20,070
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	20-10-01	30,470
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	20-10-02	20,047
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	21-04-01	5,585
<b>Total Department of Management Services</b>			<u>76,172</u>
<b>Florida Department of Law Enforcement</b>			
Direct:			
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067	7G015	55,750
<b>Florida Department of Law Enforcement</b>			<u>55,750</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<u>\$ 7,191,046</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, 2022**

(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). 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, 2022, 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, 2022**

**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
21.027	Coronavirus State and Local Fiscal Recovery Funds

**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
40.043	Economic Development Tax Refund, Tax Credit, and Grant Program

**B. Financial Statement Findings:**

**2022-001: 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, 2022, 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.

### **2022-002: Timeliness of Year-End Close and Financial Reporting**

**Criteria:** Timely financial reporting is essential for effective public fund management and oversight. The state of Florida mandates that financial audits be completed within nine months after the fiscal year-end to ensure stakeholders receive accurate and timely information.

**Condition:** The current audit is being completed over 20 months after the fiscal year-end, significantly exceeding the statutory deadline.

**Cause:** While an accounting system conversion contributed to various delays in year-end closing procedures, other responsibilities of core finance personnel and limited overall staffing also adversely impacted the County's ability to produce timely financial reports.

**Effect:** This substantial delay hampers the County's ability to provide timely and reliable financial information for accounting and budget purposes. It also increases the risk of undetected errors and/or fraud.

**Recommendation:** The County should review and improve its financial reporting processes to ensure timely completion. This includes optimizing internal procedures and a consideration of the need to increase staffing and resources dedicated to the accounting function.

### **2022-003: 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, 2022, 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**

***Opinion on Each Major Federal Program and 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 Compliance Supplement and the requirements described in the 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 state projects for the year ended September 30, 2022. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

***Basis for Opinion on Each Major Federal Program and State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs and state projects.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

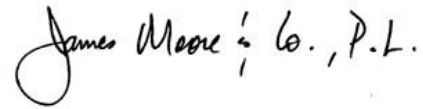
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses, or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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  
June 20, 2024

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 'C' for 'Co.'.





**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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 20, 2024. 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.

***Report on 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 procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. However, as identified in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies identified in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency identified in the accompanying schedule of findings and questioned costs as item 2022-003 to be a significant deficiency.

### ***Compliance and Other Matters***

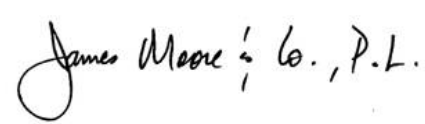
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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  
June 20, 2024

**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, 2022, and have issued our report thereon dated June 20, 2024. 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* and Chapter 10.550, Rules of the Auditor General.

**Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control over Compliance in Accordance with Chapter 10.550 Rules of the Florida Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 20, 2024, 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. Three findings (2022-001, 2022-004, and 2022-005) remain uncorrected from the second preceding audit report. A full summary of the status of prior year findings follows:

<b>Tabulation of Uncorrected Audit Findings</b>		
<b>Current Year Finding #</b>	<b>2021 Finding #</b>	<b>2020 Finding #</b>
2022-001	2021-001	2020-001
2022-002	N/A	N/A
2022-003	2022-002	N/A
2022-004	2021-003	2020-003
2022-005	2021-004	2020-004

## Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 to the financial statements for the relevant disclosure. 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; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

## **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:

### **2022-004 Budgetary Controls**

During our audit, we noted funds were expended in excess of budgeted amounts due to a timing difference in grant expenditures that were not factored as part of the budget process. Based upon that budget approach, the County's expenditures exceeded appropriations in the ARPA fund by \$1,264,638, the Fire fund by \$286,886, the EMS fund by \$54,574, the Civic Center Project fund by \$3,445, and the National Forest fund by \$1,461. We recommend the County budget on an accrual basis in order to ensure expenditures do not exceed appropriations.

### **2022-005 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

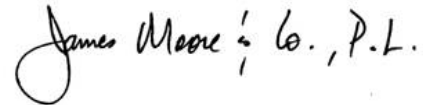
## **Management's Response to Findings**

The County's response to the findings identified in our audit is outlined as listed in the table of contents. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

## **Purpose of this Letter**

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

Daytona Beach, Florida  
June 20, 2024





## 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 (the Statutes), for the year ended September 30, 2022. County's Management is responsible for the compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against aforementioned statutes during the year ended September 30, 2022 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement or evaluation of County's compliance during the year ended September 30, 2022. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, 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.

We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, for the year ended September 30, 2022, the County complied with the Statutes in all material respects.

Daytona Beach, Florida  
June 20, 2024

A handwritten signature in black ink that reads "James Moore &amp; Co., P.L." The signature is written in a cursive style and is positioned above a thin horizontal line.



STACIE D. HARVEY  
CLERK TO BOARD

# Baker County Board of Commissioners

55 NORTH THIRD STREET  
MACCLENLY, FLORIDA 32063  
(904) 259-3613 • (904) 259-7610  
[www.bakercountyfl.org](http://www.bakercountyfl.org)



CATHY RHODEN  
CHAIRMAN

June 20, 2024

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, 2022.

#### **2022-001 Cash to Accrual Basis and Preparation of Financial Statements**

In year 2022, 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

#### **2022-002 Timeliness of Year-End Close and Financial Reporting**

The County contracted with new finance software resulting in the delay of the year end close and audit. 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

#### **2022-003 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

#### **2022-004 Budgetary Controls**

During 2022, 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

#### **2022-005 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

**BAKER COUNTY SHERIFF**  
**SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS' REPORT**  
**SEPTEMBER 30, 2022**



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

**SEPTEMBER 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2022, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***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 (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, 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.

### ***Responsibilities of Management for the Financial Statements***

The Office's 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Office's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***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 is the responsibility of management and, although not a 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.


### ***Supplementary 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.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. 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 June 20, 2024 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



Daytona Beach, Florida  
June 20, 2024

**BAKER COUNTY SHERIFF  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	<u>General Fund</u>	<u>Inmate Welfare Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 489,655	\$ 297,010	\$ 200,281	\$ 986,946
Receivables, net	52,825	80,410	-	133,235
Due from other governments	308,073	-	375,162	683,235
Prepaid items	49,288	-	5,206	54,494
<b>Total Assets</b>	<u>\$ 899,841</u>	<u>\$ 377,420</u>	<u>\$ 580,649</u>	<u>\$ 1,857,910</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 711,665	\$ 6,008	\$ 10,960	\$ 728,633
Due to Board of County Commissioners	13,313	-	-	13,313
<b>Total liabilities</b>	<u>724,978</u>	<u>6,008</u>	<u>10,960</u>	<u>741,946</u>
<b>Fund Balances</b>				
Nonspendable:				
Prepaid items	49,288	-	5,206	54,494
Restricted for:				
Public safety	-	371,412	564,483	935,895
Assigned for:				
Jail operations	125,575	-	-	125,575
<b>Total fund balances</b>	<u>174,863</u>	<u>371,412</u>	<u>569,689</u>	<u>1,115,964</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 899,841</u>	<u>\$ 377,420</u>	<u>\$ 580,649</u>	<u>\$ 1,857,910</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, 2022**

	<u>General Fund</u>	<u>Inmate Welfare Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Permits and fees	\$ -	\$ -	\$ 187,603	\$ 187,603
Intergovernmental	582,382	-	319,174	901,556
Charges for services	10,623,719	455,283	-	11,079,002
Fines and forfeitures	-	-	4,047	4,047
Investment income	871	-	710	1,581
Miscellaneous	189,220	4,313	34,797	228,330
Total revenues	<u>11,396,192</u>	<u>459,596</u>	<u>546,331</u>	<u>12,402,119</u>
<b>Expenditures</b>				
Current:				
Public safety	16,008,537	503,103	313,471	16,825,111
Court related	351,635	-	-	351,635
Capital outlay	434,082	98,938	179,427	712,447
Total expenditures	<u>16,794,254</u>	<u>602,041</u>	<u>492,898</u>	<u>17,889,193</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(5,398,062)</u>	<u>(142,445)</u>	<u>53,433</u>	<u>(5,487,074)</u>
<b>Other financing sources (uses)</b>				
Appropriations from Board of County Commissioners	5,382,691	-	96,771	5,479,462
Reversions to Board of County Commissioners	(1,703)	-	(34,797)	(36,500)
Total other financing sources (uses)	<u>5,380,988</u>	<u>-</u>	<u>61,974</u>	<u>5,442,962</u>
<b>Net change in fund balances</b>	<u>(17,074)</u>	<u>(142,445)</u>	<u>115,407</u>	<u>(44,112)</u>
<b>Fund balances, beginning of year</b>	191,937	513,857	454,282	1,160,076
<b>Fund balances, end of year</b>	<u>\$ 174,863</u>	<u>\$ 371,412</u>	<u>\$ 569,689</u>	<u>\$ 1,115,964</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, 2022**

	<u><b>Total Custodial Funds</b></u>
<b>Assets</b>	
Cash and equivalents	\$ 283,166
<b>Total Assets</b>	<u><u>\$ 283,166</u></u>
<b>Liabilities</b>	
Due to others	82,220
<b>Total Liabilities</b>	<u><u>\$ 82,220</u></u>
<b>Net Position</b>	
Restricted for:	
Law enforcement	\$ 200,946
<b>Total Net Position</b>	<u><u>\$ 200,946</u></u>

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

**BAKER COUNTY SHERIFF**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<b>Total Custodial Funds</b>
<b>Additions:</b>	
Seizures	\$ 18,429
Permits, fees and special assessments	7,113
Deposits and trusts	1,449,401
Fines and forfeitures	17,040
Miscellaneous	1,862
Total additions	1,493,845
 <b>Deductions:</b>	
Payments to individuals	332,373
Payments to other governments	15,427
Inmate services	1,104,404
Payments to Board of County Commissioners	133
Payments to other constitutional offices	14,066
Miscellaneous	13,329
Total deductions	1,479,732
<b>Net change in fiduciary net position</b>	14,113
<b>Net position, beginning of year, as restated</b>	186,833
<b>Net position, end of year</b>	\$ 200,946

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



**BAKER COUNTY SHERIFF**  
**NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(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 most 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, 2022**

(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, 2022**

**(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, 2022, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 724,671	\$ 736,681	\$ (783,686)	\$ 677,666	\$ 677,666

**BAKER COUNTY SHERIFF  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

**(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, 2022, 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, 2022.

**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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 286,943	\$ 286,943	\$ 582,382	\$ 295,439
Charges for services	10,527,012	10,616,635	10,623,719	7,084
Fines and forfeitures	10,000	10,000	-	(10,000)
Investment income	-	-	871	871
Miscellaneous	2,951	2,951	189,220	186,269
Total revenues	<u>10,826,906</u>	<u>10,916,529</u>	<u>11,396,192</u>	<u>479,663</u>
<b>Expenditures</b>				
Current:				
Public safety	15,564,983	15,925,803	16,008,537	(82,734)
Court related	369,653	369,653	351,635	18,018
Capital outlay	-	-	434,082	(434,082)
Debt service:				
Interest and fiscal charges	3,765	3,765	-	3,765
Total expenditures	<u>15,938,401</u>	<u>16,299,221</u>	<u>16,794,254</u>	<u>(495,033)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(5,111,495)</u>	<u>(5,382,692)</u>	<u>(5,398,062)</u>	<u>(15,370)</u>
<b>Other financing sources (uses)</b>				
Appropriations from Board of County Commissioners	5,111,495	5,382,691	5,382,691	-
Reversions to Board of County Commissioners	-	-	(1,703)	(1,703)
Total other financing sources (uses)	<u>5,111,495</u>	<u>5,382,691</u>	<u>5,380,988</u>	<u>(1,703)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>(1)</u>	<u>(17,074)</u>	<u>(17,073)</u>
<b>Fund balances, beginning of year</b>	191,937	191,937	191,937	-
<b>Fund balances, end of year</b>	<u>\$ 191,937</u>	<u>\$ 191,936</u>	<u>\$ 174,863</u>	<u>\$ (17,073)</u>

See 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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 497,870	\$ 455,283	\$ 455,283	\$ -
Miscellaneous	2,369	4,313	4,313	-
Total revenues	<u>500,239</u>	<u>459,596</u>	<u>459,596</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
Public safety	500,239	602,044	503,103	98,941
Capital outlay	-	-	98,938	(98,938)
Total expenditures	<u>500,239</u>	<u>602,044</u>	<u>602,041</u>	<u>3</u>
Net change in fund balances	<u>-</u>	<u>(142,448)</u>	<u>(142,445)</u>	<u>3</u>
<b>Fund balances, beginning of year</b>	513,857	513,857	513,857	-
<b>Fund balances, end of year</b>	<u>\$ 513,857</u>	<u>\$ 371,409</u>	<u>\$ 371,412</u>	<u>\$ 3</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, 2022**

(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, 2022**

	<b>911 Fund</b>	<b>Second Dollar Fund</b>	<b>School Crossing Guards Fund</b>	<b>Emergency Management Fund</b>	<b>Special Law Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>						
Cash and cash equivalents	\$ 91,446	\$ 41	\$ 105,833	\$ 41,861	\$ (38,900)	\$ 200,281
Due from other governments	137,307	-	17,724	181,231	38,900	375,162
Prepaid items	3,747	-	-	1,459	-	5,206
<b>Total Assets</b>	<u>\$ 232,500</u>	<u>\$ 41</u>	<u>\$ 123,557</u>	<u>\$ 224,551</u>	<u>\$ -</u>	<u>\$ 580,649</u>
<b>Liabilities</b>						
Accounts payable and accrued liabilities	\$ 155	\$ -	\$ -	\$ 10,805	\$ -	\$ 10,960
Total liabilities	155	-	-	10,805	-	10,960
<b>Fund Balances:</b>						
Nonspendable:						
Prepaid items	3,747	-	-	1,459	-	5,206
Restricted for:						
Public safety	228,598	41	123,557	212,287	-	564,483
Total fund balances	232,345	41	123,557	213,746	-	569,689
<b>Total Liabilities and Fund Balances</b>	<u>\$ 232,500</u>	<u>\$ 41</u>	<u>\$ 123,557</u>	<u>\$ 224,551</u>	<u>\$ -</u>	<u>\$ 580,649</u>

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, 2022**

	911 Fund	Second Dollar Fund	School Crossing Guards Fund	Emergency Management Fund	Special Law Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>						
Permits and fees	\$ 187,603	\$ -	\$ -	\$ -	\$ -	\$ 187,603
Intergovernmental	76,172	-	79,757	163,245	-	319,174
Fines and forfeitures	-	4,047	-	-	-	4,047
Investment income	222	11	323	154	-	710
Miscellaneous	-	-	-	-	34,797	34,797
Total revenues	<u>263,997</u>	<u>4,058</u>	<u>80,080</u>	<u>163,399</u>	<u>34,797</u>	<u>546,331</u>
<b>Expenditures</b>						
Current:						
Public safety	205,807	5,246	50,464	192,481	(140,527)	313,471
Total expenditures	<u>205,807</u>	<u>5,246</u>	<u>50,464</u>	<u>192,481</u>	<u>38,900</u>	<u>492,898</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>58,190</u>	<u>(1,188)</u>	<u>29,616</u>	<u>(29,082)</u>	<u>(4,103)</u>	<u>53,433</u>
<b>Other financing sources (uses)</b>						
Appropriations from Board of County Commissioners	-	-	-	57,871	38,900	96,771
Reversions from constitutional officers	-	-	-	-	(34,797)	(34,797)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,871</u>	<u>4,103</u>	<u>61,974</u>
<b>Net change in fund balances</b>	<u>58,190</u>	<u>(1,188)</u>	<u>29,616</u>	<u>28,789</u>	<u>-</u>	<u>115,407</u>
<b>Fund balances, beginning of year</b>	174,155	1,229	93,941	184,957	-	454,282
<b>Fund balances, end of year</b>	<u>\$ 232,345</u>	<u>\$ 41</u>	<u>\$ 123,557</u>	<u>\$ 213,746</u>	<u>\$ -</u>	<u>\$ 569,689</u>

See accompanying notes to financial statements.

**BAKER COUNTY SHERIFF  
COMBINING SCHEDULE OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2022**

	<u>Donated Fund</u>	<u>Seized Fund</u>	<u>Individual Deposits Fund</u>	<u>Inmate Trust Fund</u>	<u>Total Custodial Funds</u>
<b>Assets</b>					
Cash and equivalents	\$ 11,451	\$ 220	\$ 79,243	\$ 192,252	\$ 283,166
<b>Total Assets</b>	<u>\$ 11,451</u>	<u>\$ 220</u>	<u>\$ 79,243</u>	<u>\$ 192,252</u>	<u>\$ 283,166</u>
<b>Liabilities</b>					
Due to others	-	-	-	82,220	82,220
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,220</u>	<u>\$ 82,220</u>
<b>Net Position</b>					
Restricted for:					
Law enforcement	\$ 11,451	\$ 220	\$ 79,243	\$ 110,032	\$ 200,946
<b>Total Net Position</b>	<u>\$ 11,451</u>	<u>\$ 220</u>	<u>\$ 79,243</u>	<u>\$ 110,032</u>	<u>\$ 200,946</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, 2022**

	<b>Bond Fund</b>	<b>Individual Deposits Fund</b>	<b>Evidence Escrow Fund</b>	<b>Inmate Trust Fund</b>	<b>Total Custodial Funds</b>
<b>Additions:</b>					
Seizures	\$ 18,429	\$ -	\$ -	\$ -	\$ 18,429
Permits, fees and special assessments	3,493	3,620	-	-	7,113
Deposits and trusts	-	-	37,062	1,412,339	1,449,401
Fines and forfeitures	17,040	-	-	-	17,040
Miscellaneous	202	1,660	-	-	1,862
Total additions	<u>39,164</u>	<u>5,280</u>	<u>37,062</u>	<u>1,412,339</u>	<u>1,493,845</u>
<b>Deductions:</b>					
Payments to individuals	2,719	-	10,597	319,057	332,373
Payments to other governments	15,427	-	-	-	15,427
Inmate services	-	-	-	1,104,404	1,104,404
Payments to Board of County Commissioners	111	22	-	-	133
Payments to other constitutional offices	14,046	20	-	-	14,066
Miscellaneous	7,956	5,373	-	-	13,329
Total deductions	<u>40,259</u>	<u>5,415</u>	<u>10,597</u>	<u>1,423,461</u>	<u>1,479,732</u>
<b>Net change in fiduciary net position</b>	<u>(1,095)</u>	<u>(135)</u>	<u>26,465</u>	<u>(11,122)</u>	<u>14,113</u>
<b>Net position, beginning of year, as restated</b>	12,546	355	52,778	121,154	186,833
<b>Net position, end of year</b>	<u>\$ 11,451</u>	<u>\$ 220</u>	<u>\$ 79,243</u>	<u>\$ 110,032</u>	<u>\$ 200,946</u>

See accompanying notes to financial statements.

**ADDITIONAL INFORMATION**



**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 the aggregate remaining fund information of the Baker County Sheriff (the Office) as of and for the year ended September 30, 2022, 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 June 20, 2024, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

***Report on 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 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.

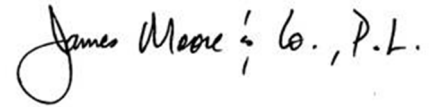
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during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

### ***Report on 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  
June 20, 2024





**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:

**Report on the Financial Statements**

We have audited the financial statements of the Baker County Sheriff (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 20, 2024.

**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 Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 20, 2024, should be considered in conjunction with this management letter.

**Prior Audit Findings**

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

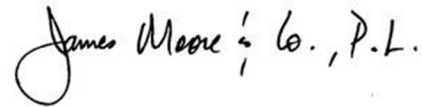
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

## **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'.

Daytona Beach, Florida  
June 20, 2024



## 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 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2022. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2022 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of Office's compliance during the year ended September 30, 2022. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, 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.

We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, requirements for the year ended September 30, 2022, the Office complied with the Statute in all material respects.

Daytona Beach, Florida  
June 20, 2024

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

**BAKER COUNTY PROPERTY APPRAISER**  
**SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS' REPORT**  
**SEPTEMBER 30, 2022**

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

**SEPTEMBER 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the general fund of the Baker County Property Appraiser (the Office), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the general fund of the Office as of September 30, 2022, and the respective change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Baker County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, 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.

### ***Responsibilities of Management for the Financial Statements***

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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Office's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

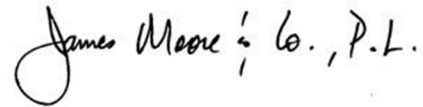
### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2024 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Daytona Beach, Florida  
June 20, 2024

James Moore & Co., P.L.



**BAKER COUNTY PROPERTY APPRAISER  
BALANCE SHEET  
GENERAL FUND  
SEPTEMBER 30, 2022**

**ASSETS**

Cash and cash equivalents	\$ 53,838
<b>Total Assets</b>	<u>\$ 53,838</u>

**LIABILITIES AND FUND BALANCES**

**Liabilities**

Due to other governments	\$ 4,447
Due to Board of County Commissioners	49,391
<b>Total liabilities</b>	<u>53,838</u>

**Fund Balance**

Unassigned	-
<b>Total Liabilities and Fund Balances</b>	<u>\$ 53,838</u>

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, 2022**

<b>Revenues</b>	
Charges for services	\$ 108,928
Total revenues	108,928
<b>Expenditures</b>	
Current:	
General government	739,949
<b>Excess (deficiency) of revenues over expenditures</b>	(631,021)
<b>Other financing sources (uses)</b>	
Appropriations to constitutional officers	680,412
Reversions from constitutional officers	(49,391)
Total other financing sources (uses)	631,021
<b>Net change in fund balances</b>	-
<b>Fund balances, beginning of year</b>	-
<b>Fund balances, end of year</b>	\$ -

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

**BAKER COUNTY PROPERTY APPRAISER  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 94,609	\$ 95,974	\$ 108,928	\$ 12,954
<b>Expenditures</b>				
Current:				
General government	775,021	776,386	739,949	36,437
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(680,412)</u>	<u>(680,412)</u>	<u>(631,021)</u>	<u>49,391</u>
<b>Other financing sources (uses)</b>				
Appropriations to constitutional officers	680,412	680,412	680,412	-
Reversions from constitutional officers	-	-	(49,391)	(49,391)
Total other financing sources (uses)	<u>680,412</u>	<u>680,412</u>	<u>631,021</u>	<u>(49,391)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	<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**  
**NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(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, 2022**

(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, 2022**

**(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, 2022, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 19,783	\$ 17,161	\$ (20,488)	\$ 16,456	\$ 16,456

**BAKER COUNTY PROPERTY APPRAISER  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

**(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, 2022, 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, 2022.

**REQUIRED SUPPLEMENTARY INFORMATION**



**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, 2022**

Budget at G15-01

**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, 2022**

(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 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 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, 2022, 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 June 20, 2024.

***Report on 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 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.

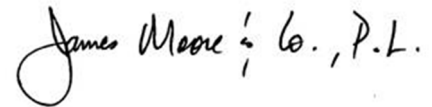
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during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

### ***Report on 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  
June 20, 2024

**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:

**Report on the Financial Statements**

We have audited the financial statements of the Baker County Property Appraiser (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 20, 2024.

**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 Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 20, 2024, 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 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 Office to be disclosed as required by accounting principles generally accepted in the United States of America.

## **Financial Management**

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

## **Additional Matters**

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

## **Purpose of this Letter**

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

*James Moore & Co., P.L.*

Daytona Beach, Florida  
June 20, 2024

## 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* (the Statute), for the year ended September 30, 2022. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2022, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance during the year ended September 30, 2022. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, 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.

We are required to be independent of the Office, and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, for the year ended September 30, 2022, the Office complied with the Statute in all material respects.

Daytona Beach, Florida  
June 20, 2024





**BAKER COUNTY SUPERVISOR OF ELECTIONS**

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

**SEPTEMBER 30, 2022**

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

**SEPTEMBER 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited 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, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the general fund for the Office as of September 30, 2022, and the respective change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Baker County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, 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.

### ***Responsibilities of Management for the Financial Statements***

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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Office's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for a reasonable period of time.

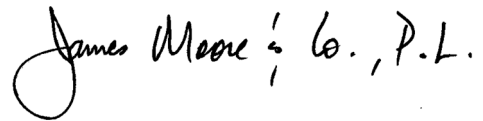
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2024 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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  
June 20, 2024

**BAKER COUNTY SUPERVISOR OF ELECTIONS  
BALANCE SHEET  
GENERAL FUND  
SEPTEMBER 30, 2022**

**ASSETS**

Cash and cash equivalents	\$ 33,535
<b>Total Assets</b>	<u>\$ 33,535</u>

Accounts payable and accrued liabilities	\$ 8,733
Due to Board of County Commissioners	24,802
<b>Total liabilities</b>	<u>33,535</u>

**FUND BALANCE**

Unassigned	-
<b>Total Liabilities and Fund Balances</b>	<u>\$ 33,535</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, 2022**

<b>Revenues</b>	
Intergovernmental	\$ -
Total revenues	<u>-</u>
Current:	
General government	577,037
<b>Excess (deficiency) of revenues over expenditures</b>	<u><u>(577,037)</u></u>
<b>Other financing sources (uses)</b>	
Appropriations to constitutional officers	601,179
Reversions from constitutional officers	(24,142)
Total other financing sources (uses)	<u>577,037</u>
<b>Net change in fund balances</b>	<u>-</u>
<b>Fund balances, beginning of year</b>	-
<b>Fund balances, end of year</b>	<u><u>\$ -</u></u>

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, 2022**

(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, 2022**

(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, 2022**

**(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, 2022, follows:

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending Balance</u>		<u>Due Within One Year</u>
Compensated absences	\$ 20,234	\$	9,510	\$	(16,256)	\$	13,488	\$	13,488

**BAKER COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

**(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, 2022, 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, 2022.

**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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
General government	594,720	594,720	577,037	17,683
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(594,720)</u>	<u>(594,720)</u>	<u>(577,037)</u>	<u>17,683</u>
<b>Other financing sources (uses)</b>				
Appropriations to constitutional officers	594,720	594,720	601,179	6,459
Reversions from constitutional officers	-	-	(24,142)	(24,142)
Total other financing sources (uses)	<u>594,720</u>	<u>594,720</u>	<u>577,037</u>	<u>(17,683)</u>
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	<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, 2022**

(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, 2022, 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 June 20, 2024.

***Report on 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 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 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 or significant deficiencies may exist that were not identified.

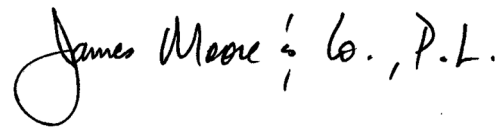


### ***Report on Compliance and Other Matters***

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, looped initial "J".

Daytona Beach, Florida  
June 20, 2024



**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:

**Report on the Financial Statements**

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, 2022, and have issued our report thereon dated June 20, 2024.

**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 Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 20, 2024, 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 Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. 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**

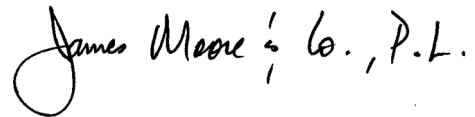
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### **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 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'.

Daytona Beach, Florida  
June 20, 2024



## 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 (the Statute), for the year ended September 30, 2022. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2022 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of Office's compliance during the year ended September 30, 2022. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, 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.

We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, for the year ended September 30, 2022, the Office complied with the Statute in all material respects.

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

Daytona Beach, Florida  
June 20, 2024

**BAKER COUNTY TAX COLLECTOR**  
**SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS' REPORT**  
**SEPTEMBER 30, 2022**

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

**SEPTEMBER 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Baker County Tax Collector (the Office), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of each major fund of the Office as of September 30, 2022, 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.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *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 and aggregate remaining fund information, only for that portion of the major funds and aggregate remaining fund information, of Baker County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, 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.

### ***Responsibilities of Management for the Financial Statements***

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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Office's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



### ***Required Supplementary Information***

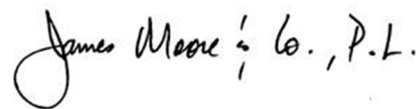
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. 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 June 20, 2024 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



Daytona Beach, Florida  
June 20, 2024

**BAKER COUNTY TAX COLLECTOR  
BALANCE SHEET  
GENERAL FUND  
SEPTEMBER 30, 2022**

<b>Assets</b>	
Cash and cash equivalents	\$ 196,464
<b>Liabilities and Fund Balance</b>	
Liabilities	
Accounts payable and accrued liabilities	\$ 776
Due to Board of County Commissioners	195,688
Total liabilities	<u>196,464</u>
Fund balance	
Unassigned	-
<b>Total Liabilities and Fund Balance</b>	<u><u>\$ 196,464</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, 2022**

<b>Revenues</b>	
Charges for services	\$ 818,899
Investment income	144
Total revenues	819,043
 <b>Expenditures</b>	
Current:	
General government	853,177
 <b>Excess (deficiency) of revenues over expenditures</b>	 (34,134)
 <b>Other financing sources (uses)</b>	
Appropriations from Board of County Commissioners	229,802
Reversions to Board of County Commissioners	(195,668)
<b>Total other financing sources (uses)</b>	34,134
 <b>Net change in fund balances</b>	 -
 <b>Fund balances, beginning of year</b>	 -
 <b>Fund balances, end of year</b>	 \$ -

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, 2022**

	<b>Custodial Funds</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 441,041
<b>Total Assets</b>	<b>\$ 441,041</b>
<b>Liabilities</b>	
Accounts payable and accrued expenses	\$ 7,170
Due to individuals	5,204
Due to other governments	424,782
Deposits and escrow	3,885
<b>Total Liabilities</b>	<b>\$ 441,041</b>
<b>Total Net Position</b>	<b>\$ -</b>

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, 2022**

	<b>Custodial Funds</b>
<b>Additions</b>	
Taxes	\$ 22,936,494
Permits, fees, and special assessments	2,000,441
Payments for deposit and escrow	246,270
Miscellaneous	19,676
Total additions	25,202,881
<b>Deductions</b>	
Payments to individuals	1,102,953
Payments to other governments	15,119,414
Payments to Board of County Commissioners	8,891,371
Miscellaneous payments	89,143
Total deductions	25,202,881
<b>Net change in fiduciary net position</b>	-
<b>Net position, beginning of year</b>	-
<b>Net position, end of year</b>	\$ -

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, 2022**

(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, 2022**

(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, 2022**

**(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, 2022, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 14,941	\$ 27,241	\$ (28,655)	\$ 13,527	\$ 13,527



**BAKER COUNTY TAX COLLECTOR  
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

**(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, 2022, 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, 2022.

**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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 972,130	\$ 972,130	\$ 818,899	\$ (153,231)
Investment income	392	392	144	(248)
Total revenues	<u>972,522</u>	<u>972,522</u>	<u>819,043</u>	<u>(153,479)</u>
<b>Expenditures</b>				
Current:				
General government	878,179	878,179	853,177	25,002
Total expenditures	<u>878,179</u>	<u>878,179</u>	<u>853,177</u>	<u>25,002</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>94,343</u>	<u>94,343</u>	<u>(34,134)</u>	<u>(128,477)</u>
<b>Other financing sources (uses)</b>				
Appropriations to constitutional officers	-	-	229,802	229,802
Reversions from constitutional officers	(94,343)	(94,343)	(195,668)	(101,325)
Total other financing sources (uses)	<u>(94,343)</u>	<u>(94,343)</u>	<u>34,134</u>	<u>128,477</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances, end of year</b>	<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, 2022**

(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, 2022**

	<b>Tax Fund</b>	<b>Tag Fund</b>	<b>Total Custodial Funds</b>
<b>Assets</b>			
Cash and equivalents	\$ 397,389	\$ 43,652	\$ 441,041
<b>Total Assets</b>	\$ 397,389	\$ 43,652	\$ 441,041
<b>Liabilities</b>			
Accounts Payable and accrued expenses	\$ 7,170	\$ -	\$ 7,170
Due to individuals	5,022	182	5,204
Due to other governments	381,540	43,242	424,782
Deposits and escrow	3,657	228	3,885
<b>Total Liabilities</b>	\$ 397,389	\$ 43,652	\$ 441,041
 <b>Total Net Position</b>	 \$ -	 \$ -	 \$ -

**BAKER COUNTY TAX COLLECTOR**  
**COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Tax Fund</u>	<u>Tag Fund</u>	<u>Total Custodial Funds</u>
<b>Additions</b>			
Taxes	\$ 18,040,599	\$ 4,895,895	\$ 22,936,494
Permits, fees, and special assessments	1,522,084	478,357	2,000,441
Payments for deposit and escrow	246,270	-	246,270
Miscellaneous	-	19,676	19,676
Total additions	<u>19,808,953</u>	<u>5,393,928</u>	<u>25,202,881</u>
<b>Deductions</b>			
Payments to individuals	1,093,261	9,692	1,102,953
Payments to other governments	9,744,394	5,375,020	15,119,414
Payments to Board of County Commissioners	8,882,155	9,216	8,891,371
Miscellaneous payments	89,143	-	89,143
Total deductions	<u>19,808,953</u>	<u>5,393,928</u>	<u>25,202,881</u>
<b>Net change in fiduciary net position</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net position, beginning of year</b>	-	-	-
<b>Net position, end of year</b>	<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 major fund and the aggregate remaining fund information of the Baker County Tax Collector (the Office) as of and for the year ended September 30, 2022, 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 June 20, 2024, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

***Report on 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 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.

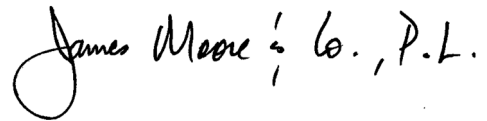
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during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

### ***Report on 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.

James Moore & Co., P.L.

Daytona Beach, Florida  
June 20, 2024



**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, 2022, and have issued our report thereon dated June 20, 2024.

**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 Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 20, 2024, 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 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 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 Office to be disclosed as required by accounting principles generally accepted in the United States of America.

**Financial Management**

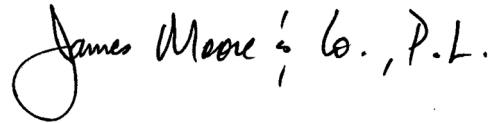
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

**Additional Matters**

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

**Purpose of this Letter**

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

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  
June 20, 2024



## 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* (the Statute), for the year ended September 30, 2022. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2022 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance during the year ended September 30, 2022. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, 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.

We are required to be independent of the Office, and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, for the year ended September 30, 2022, the Office complied with the Statute in all material respects.

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

Daytona Beach, Florida  
June 20, 2024

**BAKER COUNTY CLERK OF COURTS**  
**SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS' REPORT**  
**SEPTEMBER 30, 2022**

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

**SEPTEMBER 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

The Honorable Stacie D. Harvey, Clerk of Courts,  
Baker County, Florida:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2022, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Office and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***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 and the aggregate remaining fund information, only for that portion of the major funds and the aggregate remaining fund information, of Baker County, Florida (the County) that is attributable to the Baker County Clerk of Court and Comptroller. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, 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.



### ***Responsibilities of Management for the Financial Statements***

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; 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Governmental Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user made on the basis of these financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Office's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

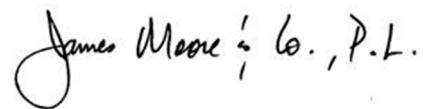
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 GAAS, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The combining schedule of fiduciary net position, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The combining schedule of fiduciary net position is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedule of fiduciary net position is fairly stated in all material respects in relation to the financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2024 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.



Daytona Beach, Florida  
June 20, 2024

**BAKER COUNTY CLERK OF COURTS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	<u>General Fund</u>	<u>Records Modernization Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 420,228	\$ 270,495	\$ 690,723
Accounts receivable	12,092	-	12,092
Due from other governments	33,016	-	33,016
<b>Total Assets</b>	<u>\$ 465,336</u>	<u>\$ 270,495</u>	<u>\$ 735,831</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 49,279	\$ -	\$ 49,279
Due to other governments	31,432	-	31,432
Due to Board of County Commissioners	97,200	-	97,200
Total liabilities	<u>177,911</u>	<u>-</u>	<u>177,911</u>
<b>FUND BALANCES</b>			
Restricted for:			
Records modernization	-	270,495	270,495
Assigned to:			
Court operations	287,425	-	287,425
Total fund balances	<u>287,425</u>	<u>270,495</u>	<u>557,920</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 465,336</u>	<u>\$ 270,495</u>	<u>\$ 735,831</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, 2022**

	<u>General Fund</u>	<u>Records Modernization Fund</u>	<u>Governmental Funds</u>
<b>Revenues</b>			
Intergovernmental	\$ 437,190	\$ -	\$ 437,190
Charges for services	441,722	43,064	484,786
Fines and forfeitures	112,636	28,437	141,073
Investment income	1,782	629	2,411
Miscellaneous	1,580	-	1,580
Total revenues	<u>994,910</u>	<u>72,130</u>	<u>1,067,040</u>
<b>Expenditures</b>			
Current:			
General government	521,086	-	521,086
Court related	900,288	30,388	930,676
Total expenditures	<u>1,421,374</u>	<u>30,388</u>	<u>1,451,762</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(426,464)</u>	<u>41,742</u>	<u>(384,722)</u>
<b>Other financing sources (uses)</b>			
Transfers in	14,267	-	14,267
Transfers out	-	(14,267)	(14,267)
Appropriations from Board of County Commissioners	404,264	-	404,264
Reversions to Board of County Commissioners	(72,981)	-	(72,981)
Total other financing sources (uses)	<u>345,550</u>	<u>(14,267)</u>	<u>331,283</u>
<b>Net change in fund balances</b>	<u>(80,914)</u>	<u>27,475</u>	<u>(53,439)</u>
<b>Fund balances, beginning of year</b>	368,339	243,020	611,359
<b>Fund balances, end of year</b>	<u>\$ 287,425</u>	<u>\$ 270,495</u>	<u>\$ 557,920</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, 2022**

	<b>Custodial Funds</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 497,131
<b>Total Assets</b>	\$ 497,847
<b>Liabilities</b>	
Due to others	\$ 497,670
<b>Total Liabilities</b>	\$ 497,847
<b>Total Net Position</b>	\$ -

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, 2022**

	<b>Total Custodial Funds</b>
<b>Additions</b>	
Court-related	\$ 497,798
Total additions	497,798
<b>Deductions</b>	
Court-related	497,798
<b>Net change in fiduciary net position</b>	-
<b>Net position, beginning of year</b>	-
<b>Net position, end of year</b>	\$ -

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, 2022**

(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, 2022**

(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. 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.

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, 2022**

**(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) 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 eligible 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).

**BAKER COUNTY CLERK OF COURTS**  
**NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**(5) Pension Plan:** (Continued)

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, 2022, 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, 2022.

**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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 350,091	\$ 392,697	\$ 437,190	\$ 44,493
Charges for services	419,866	436,671	441,722	5,051
Fines and forfeitures	125,782	125,782	112,636	(13,146)
Investment income	1,341	1,341	1,782	441
Miscellaneous	454	454	1,580	1,126
Total revenues	<u>897,534</u>	<u>956,945</u>	<u>994,910</u>	<u>37,965</u>
<b>Expenditures</b>				
Current:				
General government	507,600	536,076	521,086	14,990
Court related	721,117	841,450	900,288	(58,838)
Total expenditures	<u>1,228,717</u>	<u>1,377,526</u>	<u>1,421,374</u>	<u>(43,848)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(331,183)</u>	<u>(420,581)</u>	<u>(426,464)</u>	<u>(5,883)</u>
<b>Other financing sources (uses)</b>				
Transfers in	70,359	70,359	14,267	(56,092)
Appropriations from Board of County Commissioners	376,813	405,287	404,264	(1,023)
Reversions to Board of County Commissioners	(115,989)	(55,065)	(72,981)	(17,916)
Total other financing sources (uses)	<u>331,183</u>	<u>420,581</u>	<u>345,550</u>	<u>(75,031)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>(80,914)</u>	<u>(80,914)</u>
<b>Fund balances, beginning of year</b>	368,339	368,339	368,339	-
<b>Fund balances, end of year</b>	<u>\$ 368,339</u>	<u>\$ 368,339</u>	<u>\$ 287,425</u>	<u>\$ (80,914)</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, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 42,000	\$ 43,250	\$ 43,064	\$ (186)
Fines and forfeitures	33,000	33,000	28,437	(4,563)
Investment income	300	300	629	329
Miscellaneous	35,850	35,850	-	(35,850)
Total revenues	<u>111,150</u>	<u>112,400</u>	<u>72,130</u>	<u>(40,270)</u>
<b>Expenditures</b>				
Current:				
Court related	92,150	93,400	30,388	63,012
Total expenditures	<u>92,150</u>	<u>93,400</u>	<u>30,388</u>	<u>63,012</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>19,000</u>	<u>19,000</u>	<u>41,742</u>	<u>22,742</u>
<b>Other financing sources (uses)</b>				
Transfers out	(19,000)	(19,000)	(14,267)	4,733
Total other financing sources (uses)	<u>(19,000)</u>	<u>(19,000)</u>	<u>(14,267)</u>	<u>4,733</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>27,475</u>	<u>27,475</u>
<b>Fund balances, beginning of year</b>	243,020	243,020	243,020	-
<b>Fund balances, end of year</b>	<u><u>\$ 243,020</u></u>	<u><u>\$ 243,020</u></u>	<u><u>\$ 270,495</u></u>	<u><u>\$ 27,475</u></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, 2022**

(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, 2022**

	<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>
<b>Assets</b>						
Cash and cash equivalents	\$ 202,256	\$ 73,481	\$ 3,143	\$ 2,179	\$ 216,072	\$ 497,131
Receivables	-	-	-	716	-	716
<b>Total Assets</b>	<u>\$ 202,256</u>	<u>\$ 73,481</u>	<u>\$ 3,143</u>	<u>\$ 2,895</u>	<u>\$ 216,072</u>	<u>\$ 497,847</u>
<b>Liabilities</b>						
Due to others	\$ 202,256	\$ 73,481	\$ 3,143	\$ 2,895	\$ 215,895	\$ 497,670
<b>Total Liabilities</b>	<u>\$ 202,256</u>	<u>\$ 73,481</u>	<u>\$ 3,143</u>	<u>\$ 2,895</u>	<u>\$ 216,072</u>	<u>\$ 497,847</u>
<b>Total Net Position</b>	<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, 2022**

	<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>
<b>Additions</b>						
Court-related	\$ 202,255	\$ 73,481	\$ 3,143	\$ 2,846	\$ 216,073	\$ 497,798
<b>Deductions</b>						
Court-related	202,255	73,481	3,143	2,846	216,073	497,798
<b>Net change in fiduciary net position</b>	-	-	-	-	-	-
<b>Net position, beginning of year</b>	-	-	-	-	-	-
<b>Net position, end of year</b>	<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, 2022, 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 June 20, 2024, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

***Report on 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 over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described below as item 2022-001 that we consider to be a material weakness.

**2022-001 – 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.

### ***Report on 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*.

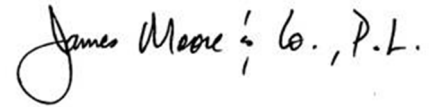
### ***Management's Response to Findings***

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  
June 20, 2024

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'.



**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, 2022, and have issued our report thereon dated June 20, 2024.

**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 Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 20, 2024, 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. No current year findings remain uncorrected from the second preceding audit. Corrective actions have been taken to address all findings and recommendations made in the preceding financial audit report as follows:

**2022-001 – Audit Adjustments and Year-End Reconciliations** – Corrective action not taken.  
See repeat comment 2022-001.

**Official Title and Legal Authority**

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

*James Moore & Co., P.L.*

Daytona Beach, Florida  
June 20, 2024



## 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, 2022. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2022 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of Office's compliance during the year ended September 30, 2022. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, 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.

We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, for the year ended September 30, 2022, the Office complied with the Statutes in all material respects.

Daytona Beach, Florida  
June 20, 2024

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



**STACIE D. HARVEY**  
CLERK OF COURTS  
BAKER COUNTY, FLORIDA



June 20, 2024

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, 2022.

**2022-001 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