

CLAY COUNTY, FLORIDA
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022



**CLAY COUNTY, FLORIDA
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SEPTEMBER 30, 2022**

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Clay 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.

In our opinion, based on our report and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Housing Finance Authority of Clay County, which is the County's discretely presented component unit. Those financial statements were audited by another auditor whose report has been furnished to us and our opinions, insofar as they relate to the amounts included for the Housing Finance Authority of Clay County, are based solely on the report of the other auditor.

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 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.

Responsibilities of Management for the Financial Statements

The County'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 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.

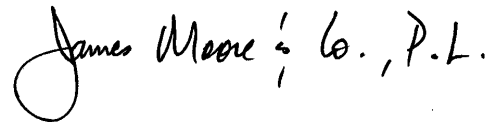
Supplementary Information

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 22, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

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

Daytona Beach, Florida
June 22, 2023

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

This discussion and analysis of Clay County's (the County) financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2022. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes. We hope this will assist readers in identifying significant changes in the County's financial position.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of fiscal year 2022 by \$501,447,988. \$455,561,826 is from Governmental activities while \$45,886,162 is from Business-type activities.
- The County issued Sales Surtax Revenue Bonds Series 2020 with a par value of \$103,420,000 and an original issue premium of \$26,291,032. These were issued to primarily finance the acquisition and construction of certain roadway projects. The outstanding liability of these bonds were \$122,542,987 as of September 30, 2022.
- The County reported a liability of \$133,216,014 for its proportionate share of the Florida Retirement System net pension liability.
- The County's revenues exceeded its expenses by \$36,925,847 for the fiscal year.
- Outstanding long-term obligations as of September 30, 2022, were \$313,391,029 including the outstanding debt on the bonds. Of this amount \$5,901,359 is considered due within one year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

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

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

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

The government-wide financial statements can be found on pages 16-17 of this report.

Fund Financial Statements

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

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

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

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, 2020 Bond Revenue, Sheriff MSTU, COVID Related Grants, Capital Improvement Projects, and 2020 Bond Construction funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 18-21 of this report.

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

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

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

The basic proprietary fund financial statements can be found on pages 22-24 of this report.

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

The basic fiduciary fund financial statements can be found on pages 25-26 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-45 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's comparison of budget and actual revenues and expenditures for its general and major special revenue funds; and certain information concerning the County's other postemployment benefit and pension obligations. Required supplementary information can be found on pages 47-54 of this report.

The combining statements referred to earlier in connection with non-major governmental funds can be found on pages 56-67 of this report. The combining statements referred to earlier in connection with fiduciary funds can be found on page 68-69.

The County received federal and state financial assistance, generally in the form of grants. Expenditures of these grants and notes are reported on pages 70-72.

Requirements of the Auditor General and Uniform Guidance are also presented on pages 74-85.

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$501,447,988 at the close of the fiscal year ended September 30, 2022.

***County of Clay, Florida
Net Position***

	Governmental Activities		Business Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 391,075,071	\$ 367,916,301	\$ 47,156,119	\$ 42,811,050	\$ 438,231,190	\$ 410,727,351
Capital assets	402,914,799	379,155,537	4,408,054	4,537,920	407,322,853	383,693,457
Total assets	793,989,870	747,071,838	51,564,173	47,348,970	845,554,043	794,420,808
Deferred outflow of resources	44,372,926	33,811,291	389,710	279,968	44,762,636	34,091,259
Noncurrent liabilities outstanding	309,851,446	225,903,431	3,539,583	2,690,788	313,391,029	228,594,219
Other liabilities	60,448,037	46,342,151	2,429,212	2,060,381	62,877,249	48,402,532
Total liabilities	370,299,483	272,245,582	5,968,795	4,751,169	376,268,278	276,996,751
Deferred inflows of resources	12,501,487	86,141,688	98,926	851,487	12,600,413	86,993,175
Net Position New:						
Invested capital assets						
net of related debt	388,973,747	374,484,160	4,408,054	4,537,920	393,381,801	379,022,080
Restricted	142,272,635	243,071,758	227,760	218,790	142,500,395	243,290,548
Unrestricted (deficit)	(75,684,556)	(195,060,059)	41,250,348	37,269,572	(34,434,208)	(157,790,487)
Total Net Position New	\$ 455,561,826	\$ 422,495,859	\$ 45,886,162	\$ 42,026,282	\$ 501,447,988	\$ 464,522,141

The largest portion of the County's net position (78%) reflects its investment in capital assets such as land, buildings, infrastructure, improvements, software and equipment, less any outstanding debt used to acquire those capital assets. The County uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the County's net position, \$142,500,395 represents resources that are subject to external restrictions on how they may be used. The remaining balance represents a deficit in net position of \$34,434,208.

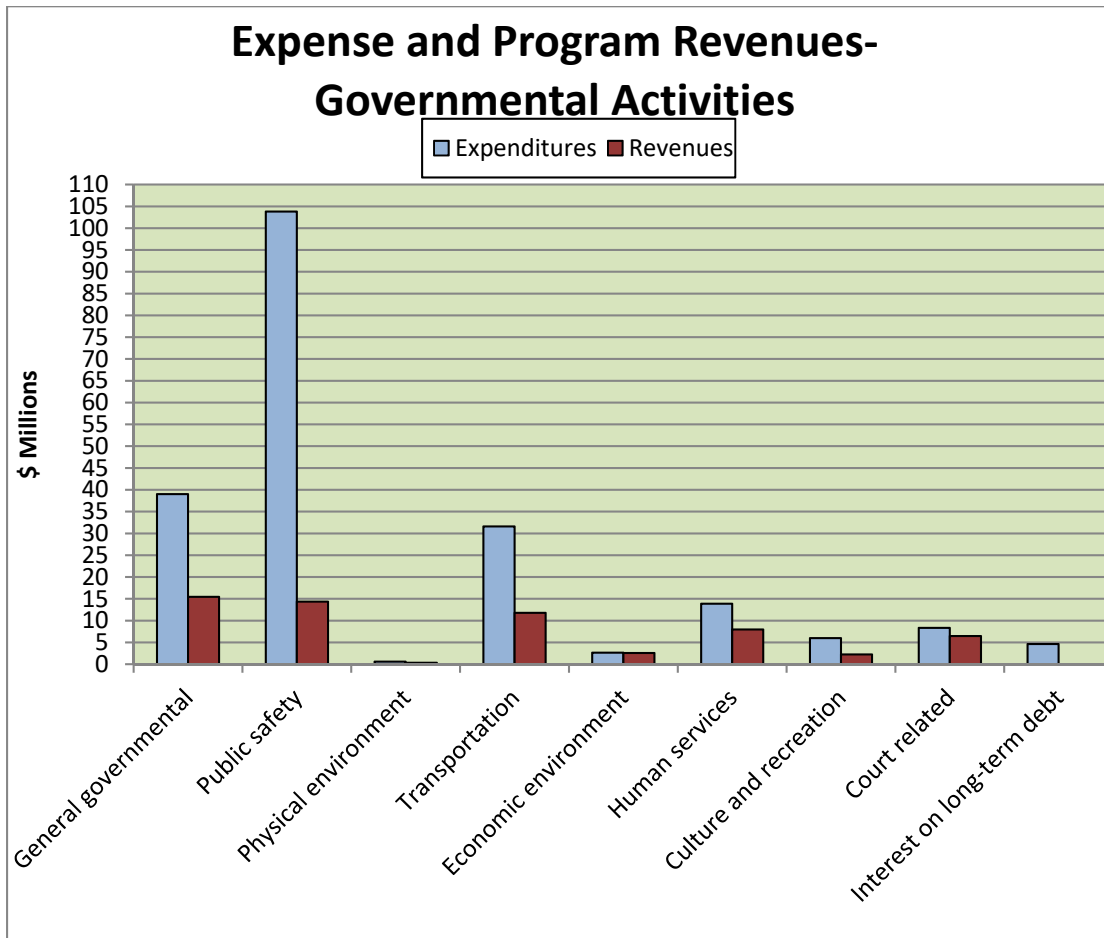
**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

Governmental Activities

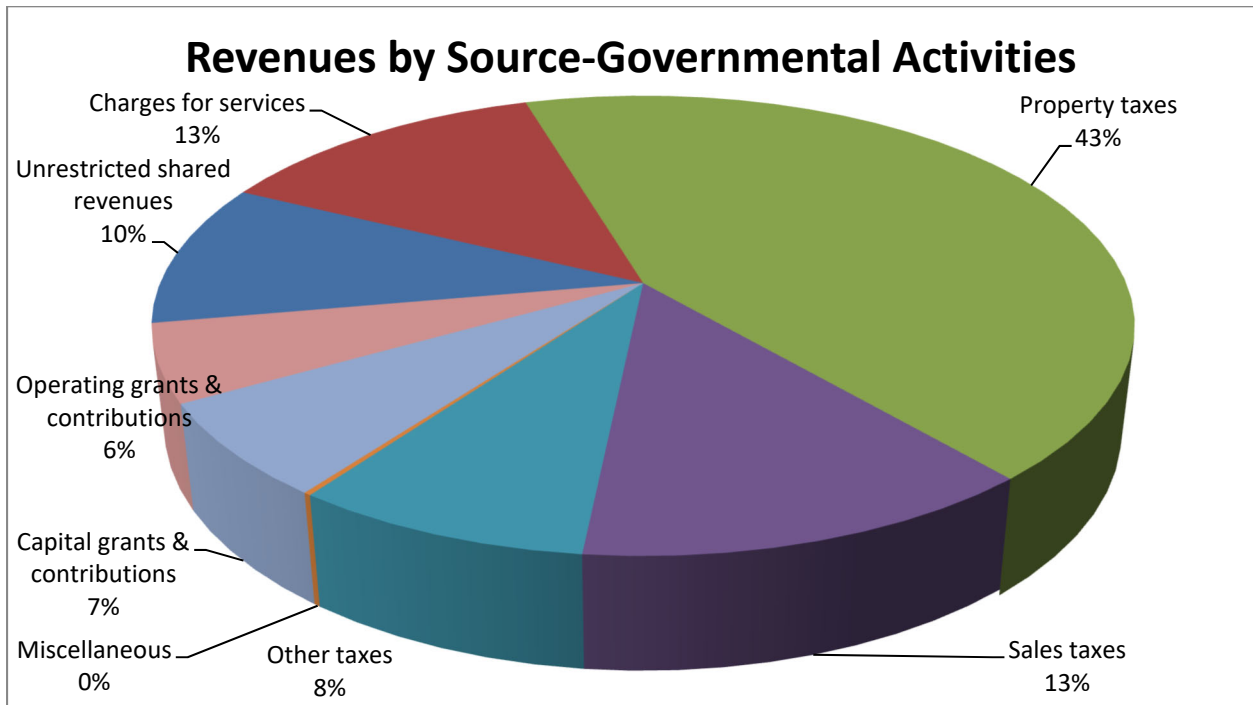
Governmental activities increased the County's net position by \$33,065,967.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 31,387,331	\$ 40,449,542	\$ 22,195,768	\$ 23,166,895	\$ 53,583,099	\$ 63,616,437
Operating grants and contributions	13,269,150	27,072,563	-	-	13,269,150	27,072,563
Capital grants and contributions	17,504,692	5,139,429	-	-	17,504,692	5,139,429
General revenues:						
Property taxes	105,509,250	92,572,235	-	-	105,509,250	92,572,235
Other taxes	51,863,153	45,502,850	-	-	51,863,153	45,502,850
Other revenues	25,243,034	23,656,464	2,953,926	60,641	28,196,960	23,717,105
Total revenues	244,776,610	234,393,083	25,149,694	23,227,536	269,926,304	257,620,619
Expenses:						
General government	39,002,322	36,647,056	-	-	39,002,322	36,647,056
Court related	8,329,097	8,133,495	-	-	8,329,097	8,133,495
Public safety	103,809,772	85,044,632	-	-	103,809,772	85,044,632
Physical environment	594,429	543,365	-	-	594,429	543,365
Transportation	32,735,986	22,454,520	-	-	32,735,986	22,454,520
Economic environment	2,652,123	2,530,056	-	-	2,652,123	2,530,056
Human services	13,871,215	22,235,759	-	-	13,871,215	22,235,759
Culture and recreation	5,973,090	4,734,451	-	-	5,973,090	4,734,451
Interest on long-term debt	4,627,955	5,015,500	-	-	4,627,955	5,015,500
Solid waste disposal	-	-	12,234,550	11,002,731	12,234,550	11,002,731
Solid waste collection	-	-	9,169,918	9,584,363	9,169,918	9,584,363
Total expenses	211,595,989	187,338,834	21,404,468	20,587,094	233,000,457	207,925,928
Change in net position before transfers	33,180,621	47,054,249	3,745,226	2,640,442	36,925,847	49,694,691
Transfers	(114,654)	(130,575)	114,654	130,575	-	-
Change in net positions	33,065,967	46,923,674	3,859,880	2,771,017	36,925,847	49,694,691
Net position – beginning of year	422,495,859	375,572,185	42,026,282	39,255,265	464,522,141	414,827,450
Net position – end of year	\$ 455,561,826	\$ 422,495,859	\$ 45,886,162	\$ 42,026,282	\$ 501,447,988	\$ 464,522,141

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**



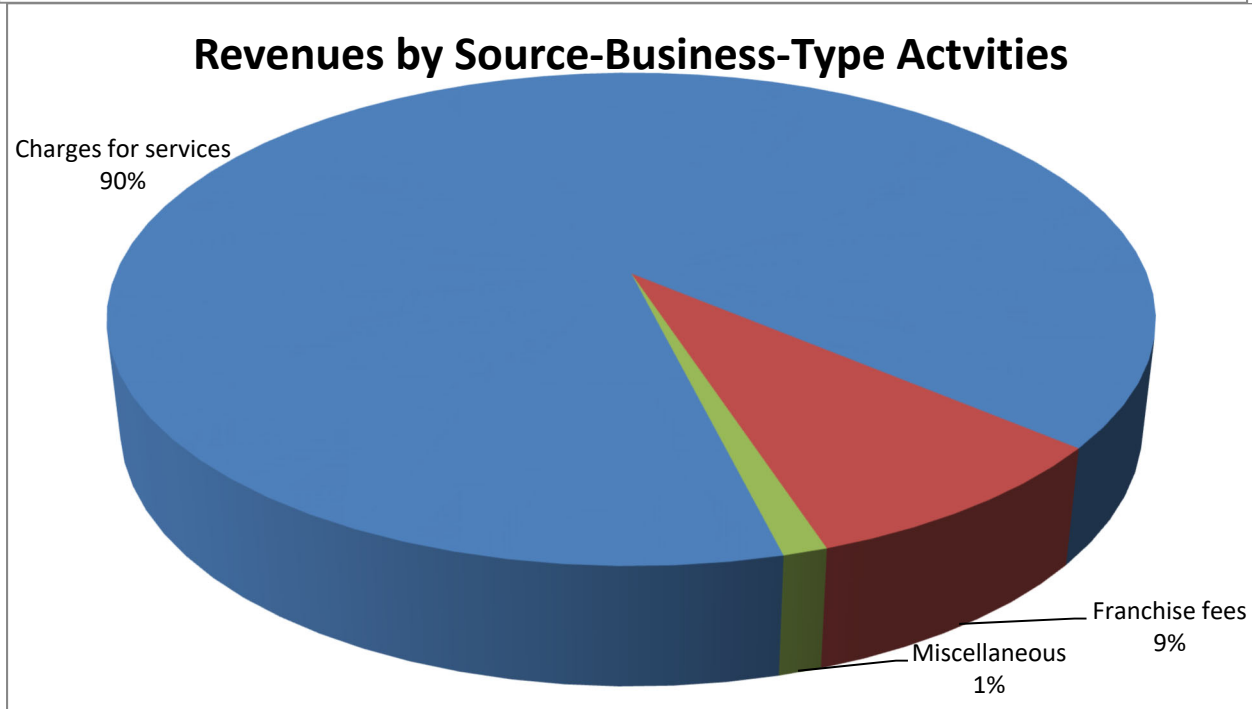
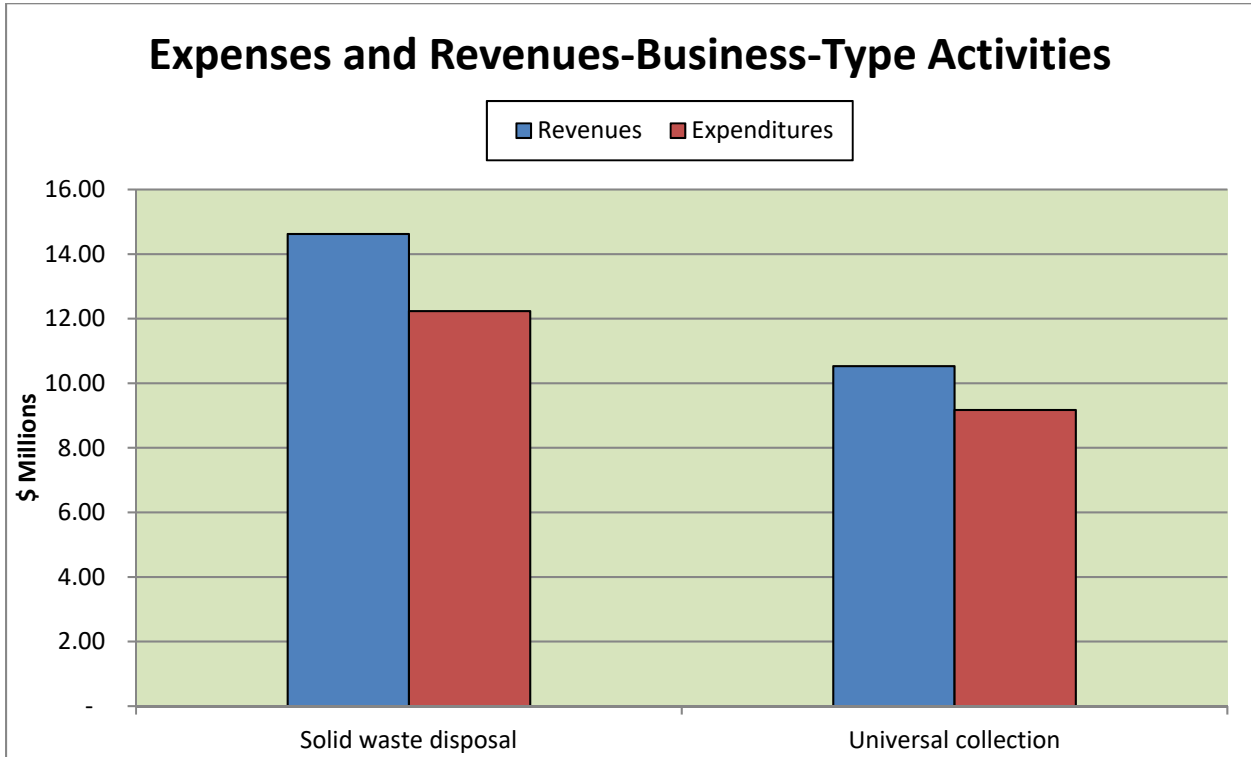
**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**



Business-type activities

Business-type activities increased the County's net position by \$3,859,880. The key elements of the increase are attributable to the Solid Waste Disposal fund which reported revenues in excess of expenses of \$2,425,515. The other enterprise fund, the Solid Waste Collection fund, reported revenues in excess of expenses of \$1,434,365.

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**



**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

Financial Analysis of the County's Funds

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

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

As of the end of the fiscal year 2022, the County's General fund reported an ending fund balance of \$65,514,622. This is an increase of \$1,880,397 from the prior year. Unassigned fund balance is \$39,813,980 and is generally available for spending at the County's discretion. The remainder of fund balance is either, assigned with the intent to be used for a specific purpose, \$24,769,829; or considered non-spendable for inventory and prepaid items, \$930,813.

The fund balance of the County's General fund increased during the fiscal year, as stated above. There were significant increases in several revenue areas in fiscal year 2022 compared to fiscal year 2021. These include an Ad Valorem Tax increase of \$12,937,015 as the County has experienced growth. This was offset by increased Public Safety spending to support the growth of increased population in the county.

The General fund is the chief operating fund of the County. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 27.5% of the total General fund expenditures which increased from 16.6% of the total General fund expenditures last fiscal year.

The Sheriff MSTU and Capital Improvement Projects funds are reported as major funds along with the General fund. For the fiscal year, the Sheriff MSTU operated with a surplus of \$1,191,856 and an ending fund balance of \$6,724,347, and the 2020 Construction Bond fund operated with a deficit of \$16,188,700 and an ending fund balance of \$108,601,935. The Capital Projects fund operated with a surplus of \$12,689,226 and an ending fund balance of \$66,195,918.

The American Rescue Plan Act fund received funds from the economic stimulus bill passed by the 117th US Congress and signed into law on March 11,2021. The American Rescue Plan Act of 2021(ARPA) allocated \$350.0 billion to state and local governments to combat the continued impact of the COVID-19 pandemic. The County's portion of the funding was \$40,035,989. Of this \$21,293,566 was funded in fiscal year 2021 and \$18,742,423 in fiscal year 2022. The County incurred expenditures of \$5,007,434 in fiscal year 2022. The breakdown of expenditures follows:

• Insurance claim reimbursement COVID related	\$1,954,907
• Broadband initiative	\$1,000,000
• Professional Fees	\$ 750,000
• Computer Software	\$ 656,889
• Building Improvements	\$ 350,405
• Other	\$ 62,867
• Administrative support to fund program	<u>\$ 232,366</u>
Total	\$5,007,434

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

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

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

	Unrestricted Net Position	
	2022	2021
Solid Waste Disposal	\$ 37,422,847	\$ 34,876,436
Universal Collection	3,827,501	2,393,136
Internal Service	13,041,680	12,246,372
Total	\$ 54,292,028	\$ 49,515,944

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

General Fund Budgetary Highlights

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

- Increase in general government services of \$1,331,749.
- Decrease in public safety of \$1,514,156.
- Decrease in physical environment of \$77,552.
- Increase in transportation of \$230,265.
- Increase in economic environment of \$14,558.
- Increase in human services of \$162,006.
- Increase in culture and recreation of \$1,092,533.
- Decrease in Court Costs of \$4,750.
- Increase in capital outlay of \$10,490,540.

Significant differences between the final amended General fund budget for the fiscal year 2022 and the actual expenditures are briefly summarized as follows:

- Anticipated engineering and other professional expenses did not occur as projects started later in the fiscal year resulting in a positive variance of \$3,917,696.
- Anticipated repairs and maintenance expenditures primarily for buildings, vehicles and grounds did not occur resulting in a positive variance of \$3,076,532.

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

- Salaries and related benefits were lower than anticipated by \$2,523,635 as we budget for full employment and positions will be vacant at times during the fiscal year.
- Land purchases were less than anticipated by \$1,307,778.
- Transfers to other funds were not needed resulting in a favorable variance to budget of \$1,186,114
- Health Insurance expenses were less than budget by \$921,588.
- Fuel purchases from the FLEET department did not occur resulting in a positive variance of \$701,801.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounted to \$407,322,853 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. The total increase in the County's investment in capital assets (net of depreciation and disposals) for the year was 6.2% (a net increase of \$23,759,262 for governmental activities and a \$129,866 net decrease for business-type activities).

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

- Construction and improvements to County roadways of \$8,266,458 excluding bond projects.
- Regional sports complex \$2,686,809.
- Public Works equipment of \$1,758,746.
- Gun Range of \$1,022,779.
- Drainage projects of \$977,911.
- Public safety equipment of \$974,430 consisting of two ambulance chassis and other equipment.
- Sheriff's Office vehicles of \$2,466,413.

***County of Clay, Florida
Capital Assets
(Net of Accumulated Depreciation)***

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 99,997,111	\$ 98,197,300	\$ 877,750	\$ 877,750	\$ 100,874,861	\$ 99,075,050
Building and improvements	65,505,832	64,902,075	3,013,659	3,103,798	68,519,491	68,005,873
Machinery and equipment	28,310,997	25,619,720	288,652	323,613	28,599,649	25,943,333
Infrastructure	175,555,190	178,949,006	227,993	232,759	175,783,183	179,181,765
Software	1,183,874	-	-	-	1,183,874	-
Construction in progress	32,361,795	11,487,436	-	-	32,361,795	11,487,436
Total	\$ 402,914,799	\$ 379,155,537	\$ 4,408,054	\$ 4,537,920	\$ 407,322,853	\$ 383,693,457

Additional information on the County's capital assets can be found in Note 6 on pages 35-36 of this report.

**CLAY COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
(CONTINUED)**

Long-term Debt

During the 2020 fiscal year the County issued \$129,711,032 of revenue bonds. The Series 2020 bonds are secured by a lien upon and pledge of the discretionary sales surtax. Proceeds of the bonds are being utilized for several large road improvements in the County. As of September 30, 2022, \$17,143,248 of these bond proceeds were spent on the road improvement projects.

	<i>Outstanding Debt Governmental Activities</i>	
	2022	2021
Sales tax revenue bonds	\$ 96,470,000	\$ 100,030,000
Premium	\$ 26,072,987	\$ 26,291,032

Additional information on the County's debt can be found in Note 7 on pages 36-37 of this report.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the County was 2.4% for September 2022. This represents a decrease of 27% from the prior year (3.3%).
- The gross taxable property values increased to \$12.9 billion in fiscal year 2022 an increase of 6.6%.
- The County's population increased 1.9% to 225,553 over the 2021 number of 221,440.

Of the County's September 30, 2022, General fund balance of \$65,514,625, \$14,387,627 has been appropriated in the 2022 fiscal year to help fund 2023 activity. This amount has been included in the assigned fund balance on the 2022 financial statements along with \$10,382,202 in the Fine & Forfeiture fund which is assigned for law enforcement purposes.

The ad valorem tax rate for FY2022 for the County increased to 8.601 mills. This increase was the first since 2015.

The disposal assessment rates (\$72.00 per unit) for the Solid Waste fund as well as the franchise fees were not changed for the 2022 fiscal year. The universal collection assessment fee Increased from \$154.44 to \$161.00 per household before credits for the temporary suspension of curbside recycling services.

Request for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have any questions concerning any of the information provided in this report or need additional financial information, contact the County's Finance Officer at 825 N. Orange Ave, Green Cove Springs, Florida. Additional information concerning the County can be found on our web site <http://www.claycountygov.com>.

CLAY COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Housing Finance Authority
ASSETS				
Cash and equivalents	\$ 44,892,131	\$ 1,912,345	\$ 46,804,476	\$ 3,937,337
Investments	80,507,920	44,479,588	124,987,508	399,260
Accounts receivable, net	6,044,164	241,075	6,285,239	4,434,659
Due from other governments	7,674,527	180,697	7,855,224	145,000
Internal balances	(114,654)	114,654	-	-
Due from fiduciary funds	234,004	-	234,004	-
Prepaid expenses	62,466	-	62,466	-
Inventory	899,943	-	899,943	-
Restricted assets:				
Investments	250,874,570	227,760	251,102,330	-
Capital assets:				
Non-depreciable	132,358,906	877,750	133,236,656	-
Depreciable, net	270,555,893	3,530,304	274,086,197	-
Total assets	<u>\$ 793,989,870</u>	<u>\$ 51,564,173</u>	<u>\$ 845,554,043</u>	<u>\$ 8,916,256</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	\$ 38,020,920	\$ 389,710	\$ 38,410,630	\$ -
Deferred outflows related to OPEB	6,352,006	-	6,352,006	-
Total deferred outflows	<u>\$ 44,372,926</u>	<u>\$ 389,710</u>	<u>\$ 44,762,636</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 16,904,636	\$ 2,018,778	18,923,414	\$ 4,206
Deposits	700,727	410,434	1,111,161	-
Due to other governments	294,826	-	294,826	-
Unearned revenue	37,963,144	-	37,963,144	-
Claims liability	4,584,704	-	4,584,704	-
Noncurrent liabilities:				
Due within one year	5,263,472	259,922	5,523,394	-
Due in more than one year	132,564,239	1,928,068	134,492,307	-
Total OPEB liability	40,159,314	-	40,159,314	-
Net pension liability	131,864,421	1,351,593	133,216,014	-
Total liabilities	<u>\$ 370,299,483</u>	<u>\$ 5,968,795</u>	<u>\$ 376,268,278</u>	<u>\$ 4,206</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	\$ 9,651,408	\$ 98,926	\$ 9,750,334	\$ -
Deferred inflows related to OPEB	2,850,079	-	2,850,079	-
Total deferred inflows	<u>\$ 12,501,487</u>	<u>\$ 98,926</u>	<u>\$ 12,600,413</u>	<u>\$ -</u>
NET POSITION				
Net investment in capital assets	\$ 388,973,747	\$ 4,408,054	\$ 393,381,801	\$ -
Restricted for:				
Law enforcement	7,304,012	-	7,304,012	-
Fire and EMS	4,720,044	-	4,720,044	-
Emergency communications	1,726,592	-	1,726,592	-
Building department	11,350,783	-	11,350,783	-
Municipal services	1,763,962	-	1,763,962	-
Roads and transportation	363,758	-	363,758	-
Tourism development	4,827,221	-	4,827,221	-
Community services	3,131,187	-	3,131,187	-
Parks and recreation	1,743,380	-	1,743,380	-
Court costs	10,729,943	-	10,729,943	-
Capital improvements	93,789,988	-	93,789,988	-
Benefit of inmates	821,765	-	821,765	-
Landfill closure	-	227,760	227,760	-
Housing Finance Authority	-	-	-	1,076,800
Unrestricted	(75,684,556)	41,250,348	(34,434,208)	7,835,250
Total net position	<u>\$ 455,561,826</u>	<u>\$ 45,886,162</u>	<u>\$ 501,447,988</u>	<u>\$ 8,912,050</u>

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

**CLAY COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Housing Finance Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government		
						Business-type Activities	Total	
Governmental activities:								
General government	\$ 39,002,322	\$ 12,551,869	\$ 42,749	\$ 3,931,940	\$ (22,475,764)	\$ -	\$ (22,475,764)	\$ -
Public safety	103,809,772	11,577,487	2,487,122	145,227	(89,599,936)	-	(89,599,936)	-
Physical environment	594,429	338,283	-	-	(256,146)	-	(256,146)	-
Transportation	32,735,986	315,055	-	11,485,773	(20,935,158)	-	(20,935,158)	-
Economic environment	2,652,123	254,075	2,332,608	-	(65,440)	-	(65,440)	-
Human services	13,871,215	201,688	7,325,861	441,752	(5,901,914)	-	(5,901,914)	-
Culture and recreation	5,973,090	393,166	354,502	1,500,000	(3,725,422)	-	(3,725,422)	-
Court related	8,329,097	5,755,708	726,308	-	(1,847,081)	-	(1,847,081)	-
Interest on long-term debt	4,627,955	-	-	-	(4,627,955)	-	(4,627,955)	-
Total governmental activities	<u>211,595,989</u>	<u>31,387,331</u>	<u>13,269,150</u>	<u>17,504,692</u>	<u>(149,434,816)</u>	<u>-</u>	<u>(149,434,816)</u>	<u>-</u>
Business-type activities:								
Solid waste	12,234,550	11,721,210	-	-	-	(513,340)	(513,340)	-
Universal collection	9,169,918	10,474,558	-	-	-	1,304,640	1,304,640	-
Total business-type activities	<u>21,404,468</u>	<u>22,195,768</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>791,300</u>	<u>791,300</u>	<u>-</u>
Total primary government	<u>\$ 233,000,457</u>	<u>\$ 53,583,099</u>	<u>\$ 13,269,150</u>	<u>\$ 17,504,692</u>	<u>(149,434,816)</u>	<u>791,300</u>	<u>(148,643,516)</u>	<u>-</u>
Component unit:								
Housing Finance Authority	<u>\$ 349,229</u>	<u>\$ 641,772</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>292,543</u>
General revenues:								
Property taxes					105,509,250	-	105,509,250	-
Sales taxes					31,595,034	-	31,595,034	-
Utility service taxes					4,629,596	-	4,629,596	-
Gas taxes					8,516,958	-	8,516,958	-
Communications service tax					5,417,273	-	5,417,273	-
Other taxes					1,704,292	-	1,704,292	-
Unrestricted shared intergovernmental revenues					24,916,535	-	24,916,535	-
Miscellaneous					326,499	2,953,926	3,280,425	(20,782)
Transfers					(114,654)	114,654	-	-
Total general revenues					<u>182,500,783</u>	<u>3,068,580</u>	<u>185,569,363</u>	<u>(20,782)</u>
Change in net position					<u>33,065,967</u>	<u>3,859,880</u>	<u>36,925,847</u>	<u>271,761</u>
Net position - beginning of year					<u>422,495,859</u>	<u>42,026,282</u>	<u>464,522,141</u>	<u>8,640,289</u>
Net position - end of year					<u>\$ 455,561,826</u>	<u>\$ 45,886,162</u>	<u>\$ 501,447,988</u>	<u>\$ 8,912,050</u>

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

**CLAY COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	General Fund	2020 Bond Revenue	Sheriff MSTU	COVID-Related Grants	Capital Improvement Projects	2020 Bond Construction	Nonmajor Governmental Funds	Total
ASSETS								
Cash and cash equivalents	\$ 12,011,339	\$ -	\$ 162,119	\$ 5,032,158	\$ 11,006,162	\$ 941,460	\$ 10,997,380	\$ 40,150,618
Investments	59,477,696	-	4,357,114	33,314,775	51,233,335	110,212,435	61,657,384	320,252,739
Accounts receivable, net	5,687,599	-	24	6,001	3,517	272	339,731	6,037,144
Due from other governments	2,339,055	3,906,064	235,586	-	249,079	-	944,743	7,674,527
Inventory	899,833	-	-	-	-	-	110	899,943
Prepaid items	30,980	-	-	-	-	-	31,486	62,466
Due from other funds	1,038,458	-	1,984,943	18,198	5,131,297	-	1,083,091	9,255,987
Total assets	<u>\$ 81,484,960</u>	<u>\$ 3,906,064</u>	<u>\$ 6,739,786</u>	<u>\$ 38,371,132</u>	<u>\$ 67,623,390</u>	<u>\$ 111,154,167</u>	<u>\$ 75,053,925</u>	<u>\$ 384,333,424</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES								
Liabilities								
Accounts payable and accrued liabilities	\$ 9,204,459	\$ -	\$ 15,439	\$ 292,535	\$ 1,427,472	\$ 2,552,232	\$ 3,412,499	\$ 16,904,636
Deposits	700,727	-	-	-	-	-	-	700,727
Due to other governments	195,625	-	-	-	-	-	99,201	294,826
Unearned revenue	20,000	-	-	37,943,144	-	-	-	37,963,144
Due to other funds	2,674,237	3,906,064	-	135,453	-	-	2,420,883	9,136,637
Total liabilities	<u>12,795,048</u>	<u>3,906,064</u>	<u>15,439</u>	<u>38,371,132</u>	<u>1,427,472</u>	<u>2,552,232</u>	<u>5,932,583</u>	<u>64,999,970</u>
Deferred inflows of resources								
Unavailable revenues	3,175,290	-	-	-	-	-	-	3,175,290
Total deferred inflows of resources	<u>3,175,290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,175,290</u>
Fund balances								
Nonspendable:								
Inventory	899,833	-	-	-	-	-	110	899,943
Prepays	30,980	-	-	-	-	-	31,486	62,466
Restricted for:								
Law enforcement	-	-	6,724,347	-	-	-	579,665	7,304,012
Fire and EMS	-	-	-	-	-	-	4,720,044	4,720,044
Emergency communications	-	-	-	-	-	-	1,726,592	1,726,592
Building department	-	-	-	-	-	-	11,350,783	11,350,783
Municipal services	-	-	-	-	-	-	1,763,962	1,763,962
Roads and transportation	-	-	-	-	-	-	363,758	363,758
Tourism development	-	-	-	-	-	-	4,827,221	4,827,221
Community services	-	-	-	-	-	-	3,131,187	3,131,187
Parks and recreation	-	-	-	-	-	-	1,743,380	1,743,380
Court costs	-	-	-	-	-	-	10,729,943	10,729,943
Capital improvements	-	-	-	-	66,195,918	108,601,935	27,594,070	202,391,923
Benefit of inmates	-	-	-	-	-	-	821,765	821,765
Assigned to:								
Law enforcement	10,382,202	-	-	-	-	-	-	10,382,202
Subsequent year's budget	14,387,627	-	-	-	-	-	-	14,387,627
Unassigned	39,813,980	-	-	-	-	-	(262,624)	39,551,356
Total fund balances	<u>65,514,622</u>	<u>-</u>	<u>6,724,347</u>	<u>-</u>	<u>66,195,918</u>	<u>108,601,935</u>	<u>69,121,342</u>	<u>316,158,164</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 81,484,960</u>	<u>\$ 3,906,064</u>	<u>\$ 6,739,786</u>	<u>\$ 38,371,132</u>	<u>\$ 67,623,390</u>	<u>\$ 111,154,167</u>	<u>\$ 75,053,925</u>	<u>\$ 384,333,424</u>

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

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

Total fund balances - Governmental Funds \$ 316,158,164

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	688,622,933	
Less: accumulated depreciation	<u>(285,708,134)</u>	402,914,799

On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the statement of net position, the 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	(131,864,421)	
Deferred outflows related to pensions	38,020,920	
Deferred inflows related to pensions	<u>(9,651,408)</u>	(103,494,909)

On the governmental fund statements, total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the County's total OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.

Total OPEB liability	(40,159,314)	
Deferred outflows related to OPEB	6,352,006	
Deferred inflows related to OPEB	<u>(2,850,079)</u>	(36,657,387)

Because some property taxes and other revenues will not be collected for several months after the close of the County's fiscal year end, they are not considered as "available" revenues in the governmental funds, and therefore, reported as deferred inflows of unavailable revenues. In the statement of net position, which is presented on an accrual basis, no deferral is reported since the revenue is fully recognized in the statement of activities.

3,175,290

Internal service funds are used by management to charge the costs of certain insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

13,041,680

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 payable	(96,470,000)	
Original issue premium	(26,072,987)	
Self-insurance claims liability	(1,748,100)	
Compensated absences	<u>(15,284,724)</u>	(139,575,811)

Net position of governmental activities \$ 455,561,826

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

CLAY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	2020 Bond Revenue	Sheriff MSTU	COVID-Related Grants	Capital Improvement Projects	2020 Bond Construction	Nonmajor Governmental Funds	Total
Revenues								
Taxes	\$ 80,569,512	\$ 31,595,034	\$ 27,543,413	\$ -	\$ 2,808,869	\$ -	\$ 13,836,149	\$ 156,352,977
Permit, fees, and special assessments	-	-	-	-	-	-	14,441,554	14,441,554
Intergovernmental	27,144,852	-	205,753	6,945,504	3,964,160	-	7,535,959	45,796,228
Charges for services	11,916,407	-	-	-	-	-	6,955,557	18,871,964
Fines and forfeitures	51,667	-	-	-	-	-	1,462,818	1,514,485
Miscellaneous revenues	3,986,934	7,333	581,520	86,674	3,107,135	(3,831,040)	1,053,329	4,991,885
Total revenues	<u>123,669,372</u>	<u>31,602,367</u>	<u>28,330,686</u>	<u>7,032,178</u>	<u>9,880,164</u>	<u>(3,831,040)</u>	<u>45,285,366</u>	<u>241,969,093</u>
Expenditures								
Current:								
General government	31,260,291	-	-	-	-	-	1,004,349	32,264,640
Public safety	82,340,871	-	3,102,214	-	-	-	11,431,905	96,874,990
Physical environment	567,471	-	-	-	-	-	-	567,471
Transportation	3,182,209	-	-	1,015,540	4,608,695	-	12,081,501	20,887,945
Economic environment	256,404	-	-	-	-	-	2,391,452	2,647,856
Human services	7,573,925	-	-	5,664,823	-	-	512,114	13,750,862
Culture and recreation	5,726,400	-	-	-	-	-	65,696	5,792,096
Court related	2,198,247	-	-	-	-	-	5,050,984	7,249,231
Capital outlay	11,897,884	-	210,934	351,815	14,537,430	12,357,660	4,635,224	43,990,947
Debt service:								
Principal	-	-	-	-	-	-	3,560,000	3,560,000
Interest	-	-	-	-	-	-	4,843,000	4,843,000
Other	-	-	-	-	-	-	3,000	3,000
Total expenditures	<u>145,003,702</u>	<u>-</u>	<u>3,313,148</u>	<u>7,032,178</u>	<u>19,146,125</u>	<u>12,357,660</u>	<u>45,579,225</u>	<u>232,432,038</u>
Excess (deficiency) of revenues over expenditures	<u>(21,334,330)</u>	<u>31,602,367</u>	<u>25,017,538</u>	<u>-</u>	<u>(9,265,961)</u>	<u>(16,188,700)</u>	<u>(293,859)</u>	<u>9,537,055</u>
Other financing sources (uses)								
Transfers in	26,001,792	-	1,550,218	-	24,421,600	-	13,004,744	64,978,354
Transfers out	(2,787,068)	(31,602,367)	(25,375,900)	-	(2,466,413)	-	(2,861,260)	(65,093,008)
Total other financing sources (uses)	<u>23,214,724</u>	<u>(31,602,367)</u>	<u>(23,825,682)</u>	<u>-</u>	<u>21,955,187</u>	<u>-</u>	<u>10,143,484</u>	<u>(114,654)</u>
Net change in fund balances	<u>1,880,394</u>	<u>-</u>	<u>1,191,856</u>	<u>-</u>	<u>12,689,226</u>	<u>(16,188,700)</u>	<u>9,849,625</u>	<u>9,422,401</u>
Fund balances, beginning of year	63,634,228	-	5,532,491	-	53,506,692	124,790,635	59,271,717	306,735,763
Fund balances, end of year	<u>\$ 65,514,622</u>	<u>\$ -</u>	<u>\$ 6,724,347</u>	<u>\$ -</u>	<u>\$ 66,195,918</u>	<u>\$ 108,601,935</u>	<u>\$ 69,121,342</u>	<u>\$ 316,158,164</u>

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

CLAY 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 \$ 9,422,401

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	43,990,947
Donated capital assets	1,402,099
Net book value of capital assets disposed of	(267,128)
Depreciation expense	(21,366,656)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Repayment of principal of long-term debt	3,560,000
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Net change in deferred inflows for unavailable revenues	(936,825)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Changes in:

Compensated absences	(7,584)
Net amortization of premium on long-term debt	218,045
Total OPEB liability and related deferred outflows and inflows	(1,438,578)
Net pension liability and related deferred outflows and inflows	(2,078,062)
Claims liability	(228,000)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The portion of net revenue/expense of internal service funds reported in governmental activities for the year.

795,308

Change in net position of governmental activities \$ 33,065,967

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

**CLAY COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022**

	<u>Business-type Activities - Enterprise Funds</u>			Governmental
	Solid Waste Disposal	<u>Nonmajor</u>		Activities
		<u>Universal Collection</u>	<u>Total</u>	Internal Service Fund
ASSETS				
Cash and cash equivalents	\$ 1,693,406	\$ 218,939	\$ 1,912,345	\$ 4,741,513
Investments	40,221,557	4,258,031	44,479,588	11,129,751
Accounts receivable, net	240,921	154	241,075	7,020
Due from other governments	67,574	113,123	180,697	-
Due from other funds	39,081	75,573	114,654	-
Restricted current assets:				
Investments	227,760	-	227,760	-
Total current assets	<u>42,490,299</u>	<u>4,665,820</u>	<u>47,156,119</u>	<u>15,878,284</u>
Noncurrent assets:				
Capital assets:				
Land	877,750	-	877,750	-
Building and improvements	5,798,327	-	5,798,327	-
Infrastructure	238,319	-	238,319	-
Machinery and equipment	1,517,841	-	1,517,841	-
Accumulated depreciation	(4,024,183)	-	(4,024,183)	-
Total capital assets, net	<u>4,408,054</u>	<u>-</u>	<u>4,408,054</u>	<u>-</u>
Total assets	<u>\$ 46,898,353</u>	<u>\$ 4,665,820</u>	<u>\$ 51,564,173</u>	<u>\$ 15,878,284</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	\$ 350,564	\$ 39,146	\$ 389,710	\$ -
Total deferred outflows of resources	<u>\$ 350,564</u>	<u>\$ 39,146</u>	<u>\$ 389,710</u>	<u>\$ -</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 1,287,015	\$ 731,763	\$ 2,018,778	\$ 1,654,412
Deposits	410,434	-	410,434	-
Estimated claims payable	-	-	-	1,182,192
Current portion of noncurrent liabilities:				
Compensated absences	32,162	-	32,162	-
Landfill closure and long-term care liability	227,760	-	227,760	-
Total current liabilities	<u>1,957,371</u>	<u>731,763</u>	<u>2,689,134</u>	<u>2,836,604</u>
Noncurrent liabilities:				
Compensated absences	289,461	-	289,461	-
Net pension liability	1,215,828	135,765	1,351,593	-
Landfill closure and long-term care liability	1,638,607	-	1,638,607	-
Total noncurrent liabilities	<u>3,143,896</u>	<u>135,765</u>	<u>3,279,661</u>	<u>-</u>
Total liabilities	<u>\$ 5,101,267</u>	<u>\$ 867,528</u>	<u>\$ 5,968,795</u>	<u>\$ 2,836,604</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	\$ 88,989	\$ 9,937	\$ 98,926	\$ -
Total deferred inflows of resources	<u>\$ 88,989</u>	<u>\$ 9,937</u>	<u>\$ 98,926</u>	<u>\$ -</u>
NET POSITION				
Net investment in capital assets	\$ 4,408,054	\$ -	\$ 4,408,054	\$ -
Restricted for landfill closure	227,760	-	227,760	-
Unrestricted	37,422,847	3,827,501	41,250,348	13,041,680
Total net position	<u>\$ 42,058,661</u>	<u>\$ 3,827,501</u>	<u>\$ 45,886,162</u>	<u>\$ 13,041,680</u>

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

CLAY COUNTY, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Solid Waste</u>	<u>Nonmajor</u>	<u>Total</u>	<u>Activities</u>
	<u>Disposal</u>	<u>Universal</u>		<u>Internal</u>
		<u>Collection</u>		<u>Service Fund</u>
Operating revenues				
Charges for services	\$ 11,721,210	\$ 10,474,558	\$ 22,195,768	19,944,998
Total operating revenues	<u>11,721,210</u>	<u>10,474,558</u>	<u>22,195,768</u>	<u>19,944,998</u>
Operating expenses				
Personal services	1,664,856	158,258	1,823,114	64,526
Contract services	10,125,260	8,817,592	18,942,852	-
Other operating expenses	266,040	194,068	460,108	1,484,493
Depreciation	178,394	-	178,394	-
Claims expense	-	-	-	17,691,264
Total operating expenses	<u>12,234,550</u>	<u>9,169,918</u>	<u>21,404,468</u>	<u>19,240,283</u>
Operating income (loss)	<u>(513,340)</u>	<u>1,304,640</u>	<u>791,300</u>	<u>704,715</u>
Nonoperating revenues (expenses)				
Interest earnings	229,345	54,152	283,497	90,593
Franchise fees	2,160,482	-	2,160,482	-
Miscellaneous income	506,697	-	506,697	-
Gain (loss) on disposition of capital assets	3,250	-	3,250	-
Total nonoperating revenues (expenses)	<u>2,899,774</u>	<u>54,152</u>	<u>2,953,926</u>	<u>90,593</u>
Income (loss) before contributions and transfers	<u>2,386,434</u>	<u>1,358,792</u>	<u>3,745,226</u>	<u>795,308</u>
Transfers in	39,081	75,573	114,654	-
Change in net position	<u>2,425,515</u>	<u>1,434,365</u>	<u>3,859,880</u>	<u>795,308</u>
Net position, beginning of year	39,633,146	2,393,136	42,026,282	12,246,372
Net position, end of year	<u>\$ 42,058,661</u>	<u>\$ 3,827,501</u>	<u>\$ 45,886,162</u>	<u>\$ 13,041,680</u>

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

**CLAY COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-type Activities - Enterprise Funds			Governmental
	Solid Waste Disposal	Nonmajor		Activities
		Universal Collection	Total	Internal Service Fund
Cash flows from operating activities				
Cash received from customers	\$ 11,703,439	\$ 10,363,303	\$ 22,066,742	\$ 19,943,415
Cash paid to employees	(1,541,161)	(150,178)	(1,691,339)	(64,526)
Cash paid to suppliers	(10,140,634)	(8,965,963)	(19,106,597)	(19,883,506)
Other receipts	506,697	-	506,697	-
Net cash provided by (used in) operating activities	<u>528,341</u>	<u>1,247,162</u>	<u>1,775,503</u>	<u>(4,617)</u>
Cash flows from noncapital financing activities				
Transfers from other funds	39,081	75,573	114,654	-
Franchise fees received	2,160,482	-	2,160,482	-
Interfund loans	4,766	11,155	15,921	47,802
Net cash provided by (used in) noncapital financing activities	<u>2,204,329</u>	<u>86,728</u>	<u>2,291,057</u>	<u>47,802</u>
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(48,528)	-	(48,528)	-
Proceeds from sale of capital assets	3,250	-	3,250	-
Net cash provided by (used in) capital and related financing activities	<u>(45,278)</u>	<u>-</u>	<u>(45,278)</u>	<u>-</u>
Cash flows from investing activities				
Interest received	229,345	54,152	283,497	90,593
Purchases of investments	(8,394,912)	(2,303,740)	(10,698,652)	(87,675)
Net cash provided by (used in) investing activities	<u>(8,165,567)</u>	<u>(2,249,588)</u>	<u>(10,415,155)</u>	<u>2,918</u>
Net change in cash and cash equivalents	<u>(5,478,175)</u>	<u>(915,698)</u>	<u>(6,393,873)</u>	<u>46,103</u>
Cash and cash equivalents, beginning of year	7,171,581	1,134,637	8,306,218	4,695,410
Cash and cash equivalents, end of year	<u>\$ 1,693,406</u>	<u>\$ 218,939</u>	<u>\$ 1,912,345</u>	<u>\$ 4,741,513</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (513,340)	\$ 1,304,640	791,300	\$ 704,715
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	178,394	-	178,394	-
Nonoperating revenues (expenses)	506,697	-	506,697	-
Changes in assets and liabilities:				
Accounts receivable	111,829	1,868	113,697	(1,583)
Due from other governments	(56,785)	(113,123)	(169,908)	-
Accounts payable and accrued liabilities	395,949	45,697	441,646	(704,399)
Deposits	(72,815)	-	(72,815)	-
Compensated absences	11,682	-	11,682	-
Claims liability	-	-	-	(3,350)
Net pension liability	112,013	8,080	120,093	-
Landfill closure and long-term care liability	(145,283)	-	(145,283)	-
Net cash provided by (used in) operating activities	<u>\$ 528,341</u>	<u>\$ 1,247,162</u>	<u>\$ 1,775,503</u>	<u>\$ (4,617)</u>

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

CLAY COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	Custodial Funds
ASSETS	
Cash and equivalents	\$ 12,550,110
Receivables	29,898
Due from other governments	2,442
Total assets	\$ 12,582,450
 LIABILITIES	
Accounts payable and accrued expenses	\$ 27,494
Assets held for others	2,321,005
Due to other funds	234,004
Due to other governments	322,765
Total liabilities	\$ 2,905,268
 NET POSITION	
Restricted for benefit of others	\$ 9,677,182

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

CLAY COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	Custodial Funds
Additions	
Taxes	\$ 69,216
Taxes and fees for other governments	276,997,871
Taxes and fees for individuals	5,808,072
Charges for services	12,253,364
Refunds collected for individuals	1,595,507
Commissions collected for general fund	6,086,155
Permits, fees, and special assessments	1,163,520
Court related	77,345,112
Total additions	381,318,817
 Deductions	
Court related payments	73,395,518
Payments to individuals	7,472,795
Payments to other governments	289,485,687
Payments to BOCC	6,602,421
Payments to constitutional officers	543,429
Total deductions	377,499,850
 Net change in fiduciary net position	3,818,967
 Net position, beginning of year	5,858,215
 Net position, end of year	\$ 9,677,182

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

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

The financial statements of Clay 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**—The Board of County Commissioners (the Board) is the legislative and governing body of the County. It operates under a non-charter form of government pursuant to the authority provided in the Constitution of the State of Florida and consists of five elected officials. The County was established by the Laws of Florida in 1858. The Clerk of the Circuit Court serves as Clerk to the Board pursuant to Section 125.17, Florida Statutes.

The Board of County Commissioners and the offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The offices of the Sheriff, Property Appraiser, and Supervisor of Elections operate on a budget system, whereby County-appropriated funds are received from the Board of County Commissioners, and any unexpended appropriations are required to be returned to the Board of County Commissioners at the end of the fiscal year. The Clerk's duties as Clerk to the Board, Clerk of the County Court, and Chief Financial Officer for the County are budgeted functions, funded by the Board. The Clerk's duties as Clerk of the Circuit Court are funded by fees collected by that office. The Tax Collector's salary and benefits are funded by the Board; all other expenditures are funded by fees collected by that office. Excess fees of the Tax Collector are returned to the Board at the end of the fiscal year.

(b) **Discretely presented component units**—Discretely presented component units are reported in a separate column in the financial statements to emphasize that they are legally separate entities. For the Housing Finance Authority of Clay County, Florida ("HFA"), there were positive responses to the criteria used for establishing financial accountability. Accordingly, the HFA has been included in the County's financial statements as a discretely presented component unit. The HFA is a dependent special district created by Ordinance 80-19, pursuant to Section 159.604, Florida Statutes. It is responsible for authorizing issuance of housing revenue bonds for the purpose of alleviating a shortage of affordable residential and rental housing facilities, and to provide for capital investment in such facilities for low and moderate-income families and persons within the County. The members of the governing board of the HFA are appointed by the Board of County Commissioners who may alter or change the structure, organization, programs, or activities of HFA; terminate the HFA; remove members of the HFA; and review the budget of the HFA. Complete financial statements for the component unit may be obtained at the entity's administrative offices:

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

(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.

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental and proprietary 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).

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 60 days of the end of the current fiscal period.

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 expenditures relating to future periods, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

General Fund - The General fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund. Additionally, the general fund also accounts for activities related to the general fund of each constitutional officer.

2020 Bond Revenue - The 2020 Bond Revenue fund (a special revenue fund) is used to account for the revenues received from discretionary sales surtax imposed to finance capital projects.

Sheriff MTSU – The Sheriff MSTU fund (a special revenue fund) is used to account for resources provided by taxes levied for municipal sheriff services.

COVID-Related Grants – the COVID-Related Grants fund (a special revenue fund) is used to administer the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and Emergency Rental Assistance programs, created by the American Rescue Plan Act (ARPA) of 2021. This funding is used specifically to help the County address and recover from the impacts of COVID-19.

Capital Improvement Projects – The Capital Improvement Projects fund (a capital projects fund) is used for the construction of various capital projects.

2020 Bond Construction – The 2020 Bond Construction fund (a capital projects fund) is used for the construction of various capital projects identified by the Board of County Commissioners as bond eligible for the 2020 Series Bond issuance.

The County reports the following major enterprise funds:

Solid Waste Fund - The Solid Waste fund is used to account for operations of the County's refuse activities.

The County reports the following other fund types:

Internal Service Fund – Health insurance fund used to track county-wide health insurance and related claims costs charged out to other funds.

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

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

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

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

(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) **Prepaid items**—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements. Prepaid items are recognized as expenses when the related expenses are incurred.

(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. 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 for capitalization. Maintenance and repairs of capital assets are charged to operating expenses. The thresholds for capitalizing assets are generally as follows:

<u>Assets</u>	<u>Amount</u>
Tangible personal property	\$5,000
Buildings and improvements	\$25,000
Land and improvements	\$10,000
Roads and subdivisions	\$250,000
Sidewalks	\$50,000
Bridges	\$100,000
Streetlight and drainage systems	\$100,000

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:

<u>Governmental activities</u>	<u>Years</u>
Buildings and infrastructure	50 years
Machinery and equipment	5 years
Computer equipment – greater than \$10,000	5 years
Computer equipment – less than \$10,000	3 years
<u>Business-type activities</u>	<u>Years</u>
Buildings and improvements	20-50 years
Machinery and equipment	3-10 years

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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

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

(k) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets 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 items in this category consist of deferred amounts related to pensions and OPEB, as discussed further in Notes (10) and (11), respectively.

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 only items in this category consist of deferred amounts related to pensions and OPEB, as discussed further in Notes (10) and (11), respectively.

(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.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available; the County considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds and finally, unassigned funds, as needed.

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

(m) **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

(n) **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. 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 and additional appropriations require Board approval. 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.

(o) **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.

(p) **Reclassifications**—The presentation of certain funds was changed from the prior year, resulting in various changes to beginning fund balance as reported for certain funds. The resulting impact of these reclassifications was a \$8,093 decrease to beginning fund balance in the general fund and corresponding increase to the total beginning fund balance in the nonmajor governmental funds.

(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.

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(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. As of September 30, 2022, all County deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, 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). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required if deemed necessary.

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 21 days and the rating by S&P Global Ratings was AAAM. At September 30, 2022, the County had \$215,471,441 invested with Florida PRIME.

The Florida Public Assets for Liquidity Management (Florida PALM) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PALM at amortized cost. Therefore, the County's investment in Florida PALM 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 25 days and the rating by S&P Global Ratings was AAAM. At September 30, 2022, the County had \$22,973,954 invested with Florida PALM.

The Florida Cooperative Liquid Assets Security System (Florida CLASS) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida CLASS at amortized cost. Therefore, the County's investment in Florida CLASS 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 26 days and the rating by S&P Global Ratings was AAAM. At September 30, 2022, the County had \$50,065,475 invested with Florida CLASS.

As of September 30, 2022, the County held \$87,466,241 of investments in certificates of deposit. Such investments are recorded at cost plus accrued interest, which approximates fair value.

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

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

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

(4) Receivables:

Accounts receivable are reported of an allowance for uncollectible accounts of \$1,350,000 in the general fund.

Receivables for the discretely presented component unit consist of mortgage loan receivables and are presented net of an allowance of \$305,842 for loan losses.

(5) Interfund Balances and Transfers:

The County makes routine transfers between funds in the course of the fiscal year. The principle purposes of these transfers are to allocate resources for debt service, construction or other capital projects, and to provide operating subsidies. These transfers are consistent with the activities of the funds involved. Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and are reported as other financing sources (uses) in the Governmental Funds and as transfers in (out) in the Proprietary Funds.

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

<u>Due from</u>	<u>Due to</u>							<u>Total Due from</u>
	<u>General Fund</u>	<u>Capital Improvements</u>	<u>Sheriff MSTU</u>	<u>Solid Waste Disposal</u>	<u>Universal Disposal</u>	<u>COVID- Related</u>	<u>Nonmajor Governmental</u>	
General fund	\$ -	\$ -	\$ 1,984,943	\$ 39,081	\$ 75,573	\$ 18,198	\$ 556,442	\$ 2,674,237
2020 Bond Revenue	-	3,906,064	-	-	-	-	-	3,906,064
COVID-Related Grants	135,453	-	-	-	-	-	-	135,453
Agency Funds	77,921	-	-	-	-	-	156,083	234,004
Nonmajor Funds	825,084	1,225,233	-	-	-	-	370,566	2,420,883
Total Due to	\$ 1,038,458	\$ 5,131,297	\$ 1,984,943	\$ 39,081	\$ 75,573	\$ 18,198	\$ 1,083,091	\$ 9,370,641

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

<u>Transfer in</u>	<u>Transfer Out</u>					
	<u>General Fund</u>	<u>Capital Improvement Projects</u>	<u>Sheriff MSTU</u>	<u>2020 Bond Revenue</u>	<u>Nonmajor Governmental</u>	<u>Total Transfer In</u>
General fund	\$ -	\$ -	\$ 25,375,900	\$ -	\$ 625,892	\$ 26,001,792
Capital Improvement Projects	-	-	-	23,196,367	1,225,233	24,421,600
Sheriff MSTU	1,550,218	-	-	-	-	1,550,218
Nonmajor governmental	1,122,196	2,466,413	-	8,406,000	1,010,135	13,004,744
Solid waste disposal	39,081	-	-	-	-	39,081
Universal collection	75,573	-	-	-	-	75,573
Total transfers out	\$ 2,787,068	\$ 2,466,413	\$ 25,375,900	\$ 31,602,367	\$ 2,861,260	\$ 65,093,008

The transfers from the General Fund to other funds were primarily to support operations of other funds and/or to allocate funds for future capital projects. The transfers from the 2020 bond revenue fund were for debt service payments and capital investment.

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(6) Capital Assets:

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

Governmental activities:	Balance			Balance
	9/30/2021	Increases	Decreases	9/30/2022
Capital assets not being depreciated:				
Land	\$ 98,197,300	\$ 1,799,811	\$ -	\$ 99,997,111
Construction in progress	11,487,436	31,636,828	(10,762,469)	32,361,795
Total assets not being depreciated	<u>109,684,736</u>	<u>33,436,639</u>	<u>(10,762,469)</u>	<u>132,358,906</u>
Capital assets being depreciated:				
Buildings and Improvements	123,320,737	3,170,028	-	126,490,765
Machinery and Equipment	80,213,305	11,012,833	(3,222,972)	88,003,166
Infrastructure	333,234,081	7,352,141	-	340,586,222
Software	-	1,183,874	-	1,183,874
Total assets being depreciated	<u>536,768,123</u>	<u>22,718,876</u>	<u>(3,222,972)</u>	<u>556,264,027</u>
Less accumulated depreciation for:				
Buildings and Improvements	(58,418,662)	(2,566,271)	-	(60,984,933)
Machinery and Equipment	(54,593,585)	(8,054,428)	2,955,844	(59,692,169)
Infrastructure	(154,285,075)	(10,745,957)	-	(165,031,032)
Less: accumulated depreciation	<u>(267,297,322)</u>	<u>(21,366,656)</u>	<u>2,955,844</u>	<u>(285,708,134)</u>
Total capital assets being depreciated, net	269,470,801	1,352,220	(267,128)	270,555,893
Governmental activities capital assets, net	<u>\$ 379,155,537</u>	<u>\$ 34,788,859</u>	<u>\$(11,029,597)</u>	<u>\$ 402,914,799</u>
Business-type activities:				
	Balance			Balance
	9/30/2021	Increases	Decreases	9/30/2022
Capital assets not being depreciated:				
Land	\$ 877,750	\$ -	\$ -	\$ 877,750
Total assets not being depreciated	<u>877,750</u>	<u>-</u>	<u>-</u>	<u>877,750</u>
Capital assets being depreciated:				
Buildings and Improvements	5,798,327	-	-	5,798,327
Machinery and Equipment	1,583,255	48,528	(113,942)	1,517,841
Infrastructure	238,319	-	-	238,319
Total assets being depreciated	<u>7,619,901</u>	<u>48,528</u>	<u>(113,942)</u>	<u>7,554,487</u>
Less accumulated depreciation for:				
Buildings and Improvements	(2,694,529)	(90,139)	-	(2,784,668)
Machinery and Equipment	(1,259,642)	(83,489)	113,942	(1,229,189)
Infrastructure	(5,560)	(4,766)	-	(10,326)
Less: accumulated depreciation	<u>(3,959,731)</u>	<u>(178,394)</u>	<u>113,942</u>	<u>(4,024,183)</u>
Total capital assets being depreciated, net	3,660,170	(129,866)	-	3,530,304
Business-type activities capital assets, net	<u>\$ 4,537,920</u>	<u>\$ (129,866)</u>	<u>\$ -</u>	<u>\$ 4,408,054</u>

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(6) Capital Assets: (Continued)

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

Governmental activities		
General government	\$	2,633,906
Public safety		6,058,933
Physical environment		19,106
Transportation		11,707,955
Human services		235,047
Culture and recreation		124,734
Court related		586,975
Total depreciation expense-governmental activities	\$	<u>21,366,656</u>
Business-type activities		
Solid waste	\$	178,394
Total depreciation expense-business-type activities	\$	<u>178,394</u>

(7) Long-Term Liabilities:

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable	\$ 100,030,000	\$ -	\$ 3,560,000	\$ 96,470,000	\$ 3,735,000
Bond premium	26,291,032	-	218,045	26,072,987	377,965
Compensated absences	15,277,140	6,188,044	6,180,460	15,284,724	1,528,472
Total OPEB liability	37,455,065	2,704,249	-	40,159,314	-
Net pension liability	46,850,194	85,014,227	-	131,864,421	-
Governmental activities - Total Long-Term Liabilities	<u>\$ 225,903,431</u>	<u>\$ 93,906,520</u>	<u>\$ 9,958,505</u>	<u>\$ 309,851,446</u>	<u>\$ 5,641,437</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Accrued landfill closure and long-term care costs	\$ 2,011,650	\$ -	\$ 145,283	\$ 1,866,367	\$ 227,760
Compensated absences	309,941	95,179	83,497	321,623	32,162
Net pension liability	369,197	982,396	-	1,351,593	-
Business-type activities - Total Long-Term Liabilities	<u>\$ 2,690,788</u>	<u>\$ 1,077,575</u>	<u>\$ 228,780</u>	<u>\$ 3,539,583</u>	<u>\$ 259,922</u>

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(7) **Long-Term Liabilities:** (Continued)

Bond Payable

Clay County Sales Surtax Revenue Bonds, Series 2020, dated March 26, 2020, with a par value of \$103,420,000 and an original issue premium of \$26,291,031 to finance the acquisition and construction of certain roadway and other capital improvements for the County and pay the costs of issuance of the Series 2020 Bonds. Collateralized by pledged discretionary sales surtax revenues. The bond is payable semiannually on April 1 and October 1 each year. Interest is payable semiannually on April 1 and October 1 at rates ranging from 4% to 5.05%. The bond will mature on October 1, 2039.

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

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 3,735,000	\$ 4,665,000	\$ 8,400,000
2024	3,925,000	4,478,250	8,403,250
2025	4,120,000	4,282,000	8,402,000
2026	4,325,000	4,076,000	8,401,000
2027	4,540,000	3,859,750	8,399,750
2028-2032	26,345,000	15,657,500	42,002,500
2033-2037	33,630,000	8,378,750	42,008,750
2038-2039	15,850,000	957,200	16,807,200
Total	<u>\$ 92,735,000</u>	<u>\$ 46,354,450</u>	<u>\$ 142,824,450</u>

Accrued Landfill Closure and Long-Term Care Costs

The County is required to recognize a liability equal to the estimated total current cost of closure and post-closure care for its landfill sites. The County accrues a portion of the estimated future closure cost of the currently operating landfills each year even though actual payouts will not occur until the landfills are closed. The amount recognized each year is based on the landfill capacity used as of the balance sheet date. At September 30, 2022, each of the County landfill sites have reached full capacity. The County has conducted studies to determine the costs of providing long-term care for its landfills. The results of these studies are reviewed by the Florida Department of Environmental Protection (FDEP).

The County's cost estimate is approximately \$1,866,367 to provide long-term post-closure care for the landfill sites. These cost estimates may change due to inflation or deflation, or changes in applicable laws or regulations. The estimate for post-closure care costs is updated annually.

The County is required by the State of Florida to make an annual contribution, if necessary, to escrow to finance closure costs. The County is in compliance with these requirements, and, as of September 30, 2022, cash and investment of approximately \$227,760 are held in escrow for these purposes. These are reported as restricted assets on the statement of net position.

(8) **Commitments and Contingencies:**

Various suits and claims arising in the ordinary course of the County's operations, some of which involve substantial amounts, are pending against the County.

The ultimate effect of such litigation cannot be ascertained at this time. However, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the County or the results of its operations, nor is it anticipated that any material amount will be paid for claims and judgments in the next fiscal year.

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

(9) Risk Management

The County carries commercial insurance for certain risks, including health insurance. There were no significant reductions in insurance coverage during the year ended September 30, 2022. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Self-Insurance – Workers’ Compensation

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

In the government-wide financial statements, the County has reported an estimated liability for self-insurance losses of \$1,748,100. The estimated liability for self-insured losses is based on reported claims, historical loss data, industry statistics for incurred but not reported claims, and a valuation performed by an independent actuary.

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

<u>Year Ending September 30,</u>	<u>Beginning of Year Liability</u>	<u>Claims Incurred</u>	<u>Claims Paid</u>	<u>End of Year Liability</u>
2022	\$ 1,520,100	\$ 1,200,000	\$ 972,000	\$ 1,748,100
2021	1,164,100	1,118,000	762,000	1,520,100
2020	1,498,100	1,246,000	1,580,000	1,164,100

Self-Insurance – Health and Disability

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

Liabilities are reported if information prior to the issuance of the financial statements indicated that it is probable that a loss has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated, including an estimate for those claims incurred but not reported (IBNRs). This estimate is based on historical experience and current trends, and is reported at current dollar value in the County’s health insurance internal service fund.

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

<u>Year Ending September 30,</u>	<u>Beginning of Year Liability</u>	<u>Claims Incurred</u>	<u>Claims Paid</u>	<u>End of Year Liability</u>
2022	\$ 1,185,542	\$ 19,646,171	\$ 19,649,521	\$ 1,182,192
2021	2,430,516	17,915,001	16,803,568	1,185,542
2020	2,566,379	16,151,599	16,287,462	2,430,516

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(10) Employees' Retirement Plans:

Florida Retirement System

Plan Description and Administration

The County participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined benefit 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.

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

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

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

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

Financial Statements

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

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

Contributions

The County participates in certain classes of FRS membership. Each class had descriptions and contribution rates in effect during the year ended September 30, 2022, as follows (contribution rates are in agreement with the actuarially determined rates):

FRS Membership Plan & Class	Through June 30, 2022	After June 30, 2022
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.

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(10) **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	\$ 12,714,425
Entity Contributions – HIS	1,276,916
Employee Contributions – FRS	2,307,679

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

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

Plan	Net Pension Liability
FRS	\$ 110,864,451
HIS	22,351,563
Total	\$ 133,216,014

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 County's proportion of the net pension liability was based on a projection of the 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 June 30, 2021, the County's proportionate share of the FRS and HIS net pension liabilities were as follows:

Plan	2022	2021
FRS	0.297958350%	0.292535218%
HIS	0.211031093%	0.201799028%

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

FRS	\$ 15,494,851
HIS	1,521,324
Total	\$ 17,016,175

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	\$ 5,265,421	\$ -	\$ 678,423	\$ (98,349)
Changes of assumptions	13,653,421	-	1,281,206	(3,457,773)
Net different between projected and actual investment earnings	7,320,365	-	32,360	-
Change in proportionate share	4,508,969	(5,912,839)	1,702,564	(281,373)
Contributions subsequent to measurement date	3,629,174	-	338,727	-
	\$ 34,377,350	\$ (5,912,839)	\$ 4,033,280	\$ (3,837,495)

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(10) **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:

	FRS	HIS	Total
2023	\$ 6,049,509	\$ (45,200)	\$ 6,004,309
2024	2,068,435	127,561	2,195,996
2025	(2,603,047)	195,687	(2,407,360)
2026	18,188,111	63,615	18,251,726
2027	1,132,329	(312,720)	819,609
Thereafter	-	(171,885)	(171,885)
Total	\$ 24,835,337	\$ (142,942)	\$ 24,692,395

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 3.54% was used to determine the total pension for the program. This rate increased from the prior year rate of 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.

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

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

Asset Class	Target Allocation	Annual 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%	12.0%
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%	\$191,732,445	\$110,864,451	\$ 43,249,185
HIS	3.54%	25,572,024	22,351,563	19,686,699

(11) **Other Post-Employment Benefits (OPEB):**

Board of County Commissioners' OPEB Plan

Plan Description and Benefits Provided— The Board of County Commissioners' Other Post-Employment Benefit (OPEB) Plan is a single-employer benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees actually have a higher cost which means the County is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee. GASB No. 75 calls this the "implicit rate subsidy." This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The Other Post-Employment Benefit Plan does not issue a stand-alone report.

Plan Membership—At September 30, 2021, the date of the latest actuarial valuation, plan participation consisted of the following:

Active Employees	1,400
Inactive Employees	610
	2,010

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

(11) Other Post-Employment Benefits (OPEB): (Continued)

Total OPEB Liability—The County’s total OPEB liability of \$40,159,314 was measured as of September 30, 2021, and was determined by an actuarial valuation at September 30, 2021.

Actuarial Assumptions and Other Inputs—The total OPEB liability at the September 30, 2021 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Inflation	2.5%
Discount rate	2.19%
Healthcare cost trend rate	6.0% reduced each year until reaching ultimate trend rate of 3.94%
Retirees’ share of benefit-related costs	100.00%

The County does not have a dedicated Trust to pay retiree healthcare benefits. The discount rate was based on the 20-year GO Bond index as of September 30, 2021.

Mortality rates were based on the Pub-2010 mortality table with generational scale using MP-2019.

Changes in the OPEB liability for the fiscal year ended September 30, 2022, were as follows:

	Total OPEB Liability
Balance at September 30, 2021	\$ 37,455,065
Changes for a year:	
Service cost	1,899,703
Interest	883,449
Change of benefit terms	121,944
Experience losses/(gains)	3,239,002
Contribution - employer	(1,788,949)
Changes of assumptions	(1,650,900)
Net changes	2,704,249
Balance at September 30, 2022	<u>\$ 40,159,314</u>

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

The following presents the total OPEB liability of the County calculated using the discount rate of 2.19%, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.19%) or 1% higher (3.19%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 45,057,991	\$ 40,159,314	\$ 36,042,110

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:

The following presents the total OPEB liability of the County as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (2.94%) or 1% higher (4.94%) than the current healthcare cost trend rates (3.94%):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 39,086,553	\$ 40,159,314	\$ 41,418,793

CLAY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(11) **Other Post-Employment Benefits (OPEB):** (Continued)

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

For the year ended September 30, 2022, the County recognized OPEB expense of \$3,227,527. At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 2,201,647	\$ 2,850,079
Differences between expected and actual experience	4,150,359	-
Total	<u>\$ 6,352,006</u>	<u>\$ 2,850,079</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended September 30:</u>	<u>Amortization</u>
2023	\$ 322,431
2024	322,431
2025	322,431
2026	322,432
2027	494,261
Thereafter	1,717,941

(12) **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.

REQUIRED SUPPLEMENTARY INFORMATION

CLAY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 81,623,936	\$ 81,623,936	\$ 80,569,512	\$ 1,054,424
Permit, fees, and special assessments	11,574	11,574	-	(11,574)
Intergovernmental	32,506,372	34,356,187	27,144,852	(7,211,335)
Charges for services	12,462,552	13,574,952	11,916,407	(1,658,545)
Fines and forfeitures	55,263	55,263	51,667	(3,596)
Miscellaneous revenues	1,712,226	1,876,249	3,986,934	2,110,685
Total revenues	128,371,923	131,498,161	123,669,372	(7,828,797)
Expenditures				
Current:				
County commissioners	743,325	801,694	785,220	16,474
County manager	595,451	704,796	646,558	58,238
Public information officer	104,494	104,494	98,751	5,743
Human resources	698,998	703,290	478,278	225,012
Risk manager/Damages Process	2,287,900	3,300,837	2,523,781	777,056
MIS department	4,126,659	4,344,155	2,796,275	1,547,880
Health department	1,015,608	909,436	885,614	23,822
Geographic Info & Analytics	-	313,556	280,532	33,024
Commission auditor	144,330	183,134	156,123	27,011
OMB	1,061,637	1,061,638	1,009,658	51,980
Purchasing	963,976	981,145	706,857	274,288
County attorney	843,813	1,032,051	765,739	266,312
Sheriff	63,858,142	61,205,224	56,381,871	4,823,353
Property appraiser	3,531,064	3,524,754	3,342,896	181,858
Tax collector	6,199,078	6,199,078	5,935,701	263,377
Board of tax adjustment	61,563	70,000	74,941	(4,941)
Clerk of court	4,436,973	4,525,248	4,238,523	286,725
Filing fee costs	5,000	5,000	3,507	1,493
Circuit court	43,640	43,640	30,933	12,707
Juvenile detention	372,000	372,000	335,349	36,651
County court	2,283,207	2,278,457	2,163,757	114,700
State attorney	3,000	3,000	50	2,950
Supervisor of elections	2,165,000	2,153,176	1,987,830	165,346
Building maintenance	5,427,624	5,073,392	4,161,393	911,999
Historical commission	5,000	7,100	2,100	5,000
Blight remediation	158,173	158,173	-	158,173
Veterans service officer	141,517	141,517	88,842	52,675
Online Presence Team	461,700	461,700	389,576	72,124
Aging true	613,784	613,784	557,272	56,512
Economic development	120,600	120,600	85,004	35,596
Keystone CRA	68,000	82,558	82,558	-
Medical examiner	875,000	875,000	732,175	142,825
Rescue Services	20,185,785	22,178,721	21,311,088	867,633
Public safety administration	2,225,120	2,456,634	2,330,251	126,383
Emergency management	650,278	655,834	300,078	355,756
Ambulance Billing	647,104	647,104	582,577	64,527
JTA services	828,518	828,518	170,896	657,622
Environmental cleanup	10,000	10,000	5,096	4,904
Aid to private organizations	740,612	740,612	290,612	450,000
Hospital services	76,875	76,875	-	76,875
Public assistance services	2,948,245	2,948,245	2,862,208	86,037
Animal services	2,447,049	2,480,079	2,002,070	478,009
Parks and recreation	3,835,065	4,708,383	2,452,120	2,256,263
Community Service	349,548	549,570	519,630	29,940
Libraries administration	2,086,689	2,076,694	1,301,482	775,212
Orange Park library	716,222	816,732	644,543	172,189
Green Cove Springs library	492,950	492,950	298,416	194,534
Keystone Heights library	368,294	379,527	266,903	112,624
Middleburg library	330,319	330,319	242,131	88,188
Fleming Island Library	667,452	667,452	471,165	196,287
Extension services/agriculture	660,221	582,669	560,192	22,477
Soil and water conservation	3,220	3,220	2,183	1,037
Transit Authority	75,600	75,600	77,846	(2,246)
Fleet/fuel management	4,139,370	3,969,635	3,104,363	865,272
Disaster Recovery	500,000	461,000	249,171	211,829
Town Center Rentals	37,621	37,621	17,492	20,129
Grants Management	333,647	293,399	281,594	11,805
Mosquito Control	284,963	277,063	210,637	66,426
Public Safety Grants	6,634,903	5,270,103	700,884	4,569,219
Human Services Grants	36,960	79,986	74,986	5,000
Culture & Recreation Grants	-	115,367	47,540	67,827
Physical Environment Grants	-	400,000	-	400,000
Capital outlay	4,865,978	15,356,518	11,897,884	3,458,634
Contingencies	26,842,621	45,660,820	-	45,660,820
Total expenditures	187,437,485	217,980,877	145,003,702	72,977,175
Excess (deficiency) of revenues over expenditures	(59,065,562)	(86,482,716)	(21,334,330)	65,148,386
Other financing sources (uses)				
Transfers in	28,919,835	31,417,535	26,001,792	(5,415,743)
Transfers out	-	(2,068,116)	(2,787,068)	(718,952)
Total other financing sources (uses)	28,919,835	29,349,419	23,214,724	(6,134,695)
Net change in fund balance	(30,145,727)	(57,133,297)	1,880,394	59,013,691
Fund balance, beginning of year	30,860,634	57,848,204	63,634,228	5,786,024
Fund balance, end of year	\$ 714,907	\$ 714,907	\$ 65,514,622	\$ 64,799,715

The accompanying notes to required supplementary information are an integral part of this schedule.

CLAY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2020 BOND REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 27,345,675	\$ 31,595,034	\$ 31,595,034	\$ -
Miscellaneous revenues	-	7,333	7,333	-
5% of budget reduction	(1,264,127)	-	-	-
Total revenues	<u>26,081,548</u>	<u>31,602,367</u>	<u>31,602,367</u>	<u>-</u>
Expenditures				
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>26,081,548</u>	<u>31,602,367</u>	<u>31,602,367</u>	<u>-</u>
Other financing sources (uses)				
Transfers out	(26,081,548)	(31,602,367)	(31,602,367)	-
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

CLAY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SHERIFF MSTU FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(UNAUDITED)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 28,364,195	\$ 28,364,195	\$ 27,543,413	\$ (820,782)
Intergovernmental	234,942	234,942	205,753	(29,189)
Miscellaneous revenues	15,716	15,716	581,520	565,804
Total revenues	<u>28,614,853</u>	<u>28,614,853</u>	<u>28,330,686</u>	<u>(284,167)</u>
Expenditures				
Current:				
Public safety	3,861,786	3,816,339	3,102,214	714,125
Capital outlay	313,256	701,024	210,934	490,090
Total expenditures	<u>4,175,042</u>	<u>4,517,363</u>	<u>3,313,148</u>	<u>1,204,215</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,439,811</u>	<u>24,097,490</u>	<u>25,017,538</u>	<u>920,048</u>
Other financing sources (uses)				
Transfers in	-	1,237,071	1,550,218	313,147
Transfers out	(24,637,726)	(25,399,452)	(25,375,900)	23,552
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>(24,637,726)</u>	<u>(24,162,381)</u>	<u>(23,825,682)</u>	<u>336,699</u>
Net change in fund balance	<u>(197,915)</u>	<u>(64,891)</u>	<u>1,191,856</u>	<u>1,256,747</u>
Fund balance, beginning of year	5,532,491	5,532,491	5,532,491	-
Fund balance, end of year	<u>\$ 5,334,576</u>	<u>\$ 5,467,600</u>	<u>\$ 6,724,347</u>	<u>\$ 1,256,747</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

CLAY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COVID-RELATED GRANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 21,293,565	\$ 21,293,565	\$ 6,945,504	\$ (14,348,061)
Miscellaneous revenues	14,679	14,679	86,674	71,995
Total revenues	<u>21,308,244</u>	<u>21,308,244</u>	<u>7,032,178</u>	<u>(14,276,066)</u>
Expenditures				
Current:				
Transportation	2,300,000	2,340,000	1,015,540	1,324,460
Human services	9,125,994	10,820,956	5,664,823	5,156,133
Capital outlay	9,617,440	9,730,158	351,815	9,378,343
Total expenditures	<u>21,043,434</u>	<u>22,891,114</u>	<u>7,032,178</u>	<u>15,858,936</u>
Excess (deficiency) of revenues over (under) expenditures	<u>264,810</u>	<u>(1,582,870)</u>	<u>-</u>	<u>1,582,870</u>
Other financing sources (uses)				
Transfers out	(968,000)	(996,692)	-	996,692
Net change in fund balance	<u>(703,190)</u>	<u>(2,579,562)</u>	<u>-</u>	<u>2,579,562</u>
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ (703,190)</u>	<u>\$ (2,579,562)</u>	<u>\$ -</u>	<u>\$ 2,579,562</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

CLAY COUNTY, FLORIDA
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
SEPTEMBER 30, 2022
(UNAUDITED)

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.

CLAY COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service cost	\$ 1,899,703	\$ 1,718,580	\$ 1,299,843	\$ 1,331,224	\$ 1,382,673
Interest	883,449	940,052	1,146,800	1,054,005	953,847
Changes in benefit terms	121,944	-	-	-	-
Difference between expected and actual experience	3,239,002	-	1,764,652	-	-
Changes of assumptions	(1,650,900)	1,410,157	1,533,602	(1,218,542)	(1,546,433)
Benefit payments - implicit rate subsidy	(1,788,949)	(1,594,873)	(1,375,579)	(1,338,569)	(1,551,238)
Net change in total OPEB liability	<u>2,704,249</u>	<u>2,473,916</u>	<u>4,369,318</u>	<u>(171,882)</u>	<u>(761,151)</u>
Total OPEB liability - beginning of year	37,455,065	34,981,149	30,611,831	30,783,713	31,544,864
Total OPEB liability - end of year	<u><u>\$ 40,159,314</u></u>	<u><u>\$ 37,455,065</u></u>	<u><u>\$ 34,981,149</u></u>	<u><u>\$ 30,611,831</u></u>	<u><u>\$ 30,783,713</u></u>
Covered payroll	N/A	N/A	N/A	N/A	N/A
Total OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A
Measurement date	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017
Valuation date	9/30/2021	9/30/2019	9/30/2019	9/30/2017	9/30/2017

Notes to Schedule:

- 1) GASB Statement No. 75 was implemented in 2018. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.
- 2) There were no change of benefit terms.
- 3) Changes in assumptions - discount rate history:

2.19%	2.41%	2.75%	3.83%	3.50%
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- 4) This OPEB plan does not depend on salary nor is there a trust fund to accumulate resources for benefit payments, thus there is no salary information.

*10 years of data will be presented as it becomes available.

CLAY COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>As of the Plan Year Ended June 30,</u>		<u>2017</u>	<u>2016</u>	<u>2015</u>
				<u>2019</u>	<u>2018</u>			
Florida Retirement System (FRS)								
Proportion of the net pension liability	0.297958350%	0.292535218%	0.311490150%	0.304937014%	0.300649311%	0.298422957%	0.299167543%	0.272645820%
Proportionate share of the net pension liability	\$ 110,864,451	\$ 22,097,711	\$ 135,004,421	\$ 105,016,062	\$ 90,557,131	\$ 88,271,508	\$ 75,540,039	\$ 35,215,863
Covered payroll	76,922,640	72,534,799	69,146,337	62,400,224	63,499,863	50,852,784	48,743,295	56,882,338
Proportionate share of the net pension liability as a percentage of covered payroll	144.12%	30.46%	195.24%	168.29%	142.61%	173.58%	154.98%	61.91%
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%
Health Insurance Subsidy Program (HIS)								
Proportion of the net pension liability	0.211031093%	0.204799028%	0.199061687%	0.195334218%	0.194541639%	0.190682851%	0.191386155%	0.188502489%
Proportionate share of the net pension liability	\$ 22,351,563	\$ 25,121,680	\$ 24,305,108	\$ 21,855,944	\$ 20,590,505	\$ 20,388,690	\$ 22,305,264	\$ 19,224,289
Covered payroll	76,922,640	72,534,799	69,146,337	62,400,224	63,499,863	50,852,784	48,743,295	56,882,338
Proportionate share of the net pension liability as a percentage of covered payroll	29.06%	34.63%	35.15%	35.03%	32.43%	40.09%	45.76%	33.80%
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.

**CLAY COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS
(UNAUDITED)**

	For the Fiscal Year Ended September 30,							
	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)								
Contractually required contribution	\$ 13,488,825	\$ 10,095,018	\$ 9,122,037	\$ 8,601,126	\$ 8,724,779	\$ 6,908,382	\$ 7,295,678	\$ 6,827,284
Contributions in relation to the contractually required contribution	(13,488,825)	(10,095,018)	(9,122,037)	(8,601,126)	(8,724,779)	(6,908,382)	(7,295,678)	(6,827,284)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 80,072,022	\$ 73,110,990	\$ 69,220,622	\$ 63,409,727	\$ 63,477,660	\$ 50,488,806	\$ 48,366,205	\$ 57,363,328
Contributions as a percentage of covered payroll	16.85%	13.81%	13.18%	13.56%	13.74%	13.68%	15.08%	11.90%
Health Insurance Subsidy Program (HIS)								
Contractually required contribution	\$ 1,329,196	\$ 1,213,642	\$ 1,149,062	\$ 1,092,132	\$ 1,054,938	\$ 1,010,661	\$ 980,976	\$ 790,040
Contributions in relation to the contractually required contribution	(1,329,196)	(1,213,642)	(1,149,062)	(1,092,132)	(1,054,938)	(1,010,661)	(980,976)	(790,040)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 80,072,022	\$ 73,110,990	\$ 69,220,622	\$ 63,409,727	\$ 63,477,660	\$ 50,488,806	\$ 48,366,205	\$ 57,363,328
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.72%	1.66%	2.00%	2.03%	1.38%

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.

SUPPLEMENTARY INFORMATION

**CLAY COUNTY, FLORIDA
COMBINING BALANCE SHEET
BOARD AND OFFICER GENERAL FUNDS
SEPTEMBER 30, 2022**

	Board of County Commissioners	BCC Fine and Forfeiture	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
ASSETS										
Cash and cash equivalents	\$ 1,242,722	\$ 112,329	\$ 441,774	\$ 8,222,886	\$ 1,581,002	\$ 206,817	\$ 203,809	\$ 12,011,339	\$ -	\$ 12,011,339
Investments	53,099,094	6,378,602	-	-	-	-	-	59,477,696	-	59,477,696
Accounts receivable, net	5,299,861	3,568	884	381,355	-	379	1,552	5,687,599	-	5,687,599
Inventory	160,545	-	-	739,288	-	-	-	899,833	-	899,833
Due from other governments	1,958,329	340,646	40,080	-	-	-	-	2,339,055	-	2,339,055
Prepaid items	-	-	30,980	-	-	-	-	30,980	-	30,980
Due from constitutional officers	2,041,324	3,989,707	3,231	18,636	-	-	-	6,052,898	(6,052,898)	-
Due from other funds	877,625	-	-	-	-	-	-	877,625	160,833	1,038,458
Total assets	<u>\$ 64,679,500</u>	<u>\$ 10,824,852</u>	<u>\$ 516,949</u>	<u>\$ 9,362,165</u>	<u>\$ 1,581,002</u>	<u>\$ 207,196</u>	<u>\$ 205,361</u>	<u>\$ 87,377,025</u>	<u>\$ (5,892,065)</u>	<u>\$ 81,484,960</u>
LIABILITIES AND FUND BALANCES										
Liabilities										
Accounts payable and accrued liabilities	\$ 5,823,601	\$ 442,650	\$ 211,184	\$ 2,646,668	\$ -	\$ 57,534	\$ 22,822	\$ 9,204,459	\$ -	\$ 9,204,459
Deposits	700,727	-	-	-	-	-	-	700,727	-	700,727
Due to other governments	126,623	-	-	53,698	13,178	2,126	-	195,625	-	195,625
Unearned revenue	20,000	-	-	-	-	-	-	20,000	-	20,000
Due to Board of County Commissioners	-	-	263,717	5,922,511	1,567,824	147,536	182,534	8,084,122	(8,084,122)	-
Due to other funds	440,132	-	42,048	-	-	-	-	482,180	2,192,057	2,674,237
Total liabilities	<u>7,111,083</u>	<u>442,650</u>	<u>516,949</u>	<u>8,622,877</u>	<u>1,581,002</u>	<u>207,196</u>	<u>205,356</u>	<u>18,687,113</u>	<u>(5,892,065)</u>	<u>12,795,048</u>
Deferred inflows of resources										
Unavailable revenues	3,175,290	-	-	-	-	-	-	3,175,290	-	3,175,290
Total deferred inflows	<u>3,175,290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,175,290</u>	<u>-</u>	<u>3,175,290</u>
Fund Balances										
Nonspendable:										
Inventory	160,545	-	-	739,288	-	-	-	899,833	-	899,833
Prepays	-	-	30,980	-	-	-	-	30,980	-	30,980
Assigned to:										
Law enforcement	-	10,382,202	-	-	-	-	-	10,382,202	-	10,382,202
Subsequent year's budget	14,387,627	-	-	-	-	-	-	14,387,627	-	14,387,627
Unassigned	39,844,955	-	(30,980)	-	-	-	5	39,813,980	-	39,813,980
Total fund balances	<u>54,393,127</u>	<u>10,382,202</u>	<u>-</u>	<u>739,288</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>65,514,622</u>	<u>-</u>	<u>65,514,622</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 64,679,500</u>	<u>\$ 10,824,852</u>	<u>\$ 516,949</u>	<u>\$ 9,362,165</u>	<u>\$ 1,581,002</u>	<u>\$ 207,196</u>	<u>\$ 205,361</u>	<u>\$ 87,377,025</u>	<u>\$ (5,892,065)</u>	<u>\$ 81,484,960</u>

See accompanying notes to financial statements.

CLAY COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BOARD AND OFFICER GENERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Board of County Commissioners	BCC Fine and Forfeiture	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
Revenues										
Taxes	\$ 41,915,960	\$ 38,653,552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,569,512	\$ -	\$ 80,569,512
Intergovernmental	26,515,964	253,526	57,822	274,791	-	-	42,749	27,144,852	-	27,144,852
Charges for services	6,436,097	703,016	1,658,164	-	6,724,515	42,003	-	15,563,795	(3,647,388)	11,916,407
Fines and forfeitures	1,156	50,511	-	-	-	-	-	51,667	-	51,667
Miscellaneous revenues	2,942,211	855,385	4,260	97,000	77,201	905	9,972	3,986,934	-	3,986,934
Total revenues	77,811,388	40,515,990	1,720,246	371,791	6,801,716	42,908	52,721	127,316,760	(3,647,388)	123,669,372
Expenditures										
Current:										
General government	21,884,457	-	3,126,023	-	5,094,894	2,944,484	1,857,821	34,907,679	(3,647,388)	31,260,291
Public safety	25,959,000	5,136,250	-	51,245,621	-	-	-	82,340,871	-	82,340,871
Physical environment	567,471	-	-	-	-	-	-	567,471	-	567,471
Economic environment	3,182,209	-	-	-	-	-	-	3,182,209	-	3,182,209
Transportation	256,404	-	-	-	-	-	-	256,404	-	256,404
Human services	7,573,925	-	-	-	-	-	-	7,573,925	-	7,573,925
Culture and recreation	5,726,400	-	-	-	-	-	-	5,726,400	-	5,726,400
Court related	34,490	-	374,166	1,789,591	-	-	-	2,198,247	-	2,198,247
Capital outlay	4,739,659	2,380,981	113,640	4,410,693	138,998	7,948	105,965	11,897,884	-	11,897,884
Total expenditures	69,924,015	7,517,231	3,613,829	57,445,905	5,233,892	2,952,432	1,963,786	148,651,090	(3,647,388)	145,003,702
Excess (deficiency) of revenues over expenditures	7,887,373	32,998,759	(1,893,583)	(57,074,114)	1,567,824	(2,909,524)	(1,911,065)	(21,334,330)	-	(21,334,330)
Other financing sources (uses)										
Transfers in	229,958	-	-	-	-	-	-	229,958	25,771,834	26,001,792
Transfers out	(759,585)	-	-	-	-	-	-	(759,585)	(2,027,483)	(2,787,068)
Appropriations to constitutional officers	(6,917,009)	(36,796,413)	2,156,296	61,905,393	-	3,057,060	2,093,599	25,498,926	(25,498,926)	-
Reversions from constitutional officers	1,951,268	3,213,222	(263,719)	(4,757,452)	(1,567,824)	(147,536)	(182,534)	(1,754,575)	1,754,575	-
Total other financing sources (uses)	(5,495,368)	(33,583,191)	1,892,577	57,147,941	(1,567,824)	2,909,524	1,911,065	23,214,724	-	23,214,724
Net change in fund balances	2,392,005	(584,432)	(1,006)	73,827	-	-	-	1,880,394	-	1,880,394
Fund balances, beginning of year	52,001,122	10,966,634	1,006	665,461	-	-	5	63,634,228	-	63,634,228
Fund balances, end of year	\$ 54,393,127	\$ 10,382,202	\$ -	\$ 739,288	\$ -	\$ -	\$ 5	\$ 65,514,622	\$ -	\$ 65,514,622

See accompanying notes to financial statements.

**CLAY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)**

	Special Revenue											
	County Transportation Fund	Florida Boating Improvement	County Alcohol and Other Drug Abuse	Court Facility	Law Enforcement Trust	Law Library	Tourist Development Trust	2nd Dollar Sheriff Education	Free Library	Investigative Drug	Legal Aid Fees	SHIP Program
ASSETS												
Cash and cash equivalents	\$ 358,019	\$ 132,193	\$ 3,228	\$ 240,663	\$ 1,245	\$ 20,715	\$ 581,778	\$ 97,094	\$ 105,216	\$ 5,821	\$ 44,600	\$ 471,312
Investments	1,269,762	1,200,925	-	6,785,668	-	-	4,236,645	-	290,797	-	-	2,722,905
Accounts receivable, net	190,885	3,183	-	114	-	7	140	24	1,205	1	3	15,188
Due from other governments	484,523	-	-	-	-	-	133,027	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	109,118	8,721	310	58,860	70,457	3,537	11,369	2,998	-	205	3,537	-
Total assets	\$ 2,412,307	\$ 1,345,022	\$ 3,538	\$ 7,085,305	\$ 71,702	\$ 24,259	\$ 4,962,959	\$ 100,116	\$ 397,218	\$ 6,027	\$ 48,140	\$ 3,209,405
LIABILITIES AND FUND BALANCES												
Liabilities												
Accounts payable and accrued liabilities	\$ 2,047,554	\$ -	\$ -	\$ 22,537	\$ -	\$ 254	\$ 135,738	\$ -	\$ 3,429	\$ -	\$ 39,017	\$ 216,535
Due to other governments	3,257	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	24,005	-	-	-	-	-	-
Total liabilities	2,050,811	-	-	22,537	-	24,259	135,738	-	3,429	-	39,017	216,535
Fund balances												
Nonspendable												
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-	-	-
Restricted for:												
Law enforcement	-	-	-	-	71,702	-	-	100,116	-	6,027	-	-
Fire and EMS	-	-	-	-	-	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-	-	-	-	-	-
Building department	-	-	-	-	-	-	-	-	-	-	-	-
Municipal services	-	-	-	-	-	-	-	-	-	-	-	-
Roads and transportation	361,496	-	-	-	-	-	-	-	-	-	-	-
Tourism development	-	-	-	-	-	-	4,827,221	-	-	-	-	-
Community services	-	-	3,538	-	-	-	-	-	-	-	-	2,992,870
Parks and recreation	-	1,345,022	-	-	-	-	-	-	393,789	-	-	-
Court costs	-	-	-	7,062,768	-	-	-	-	-	-	9,123	-
Capital improvements	-	-	-	-	-	-	-	-	-	-	-	-
Benefit of inmates	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	361,496	1,345,022	3,538	7,062,768	71,702	-	4,827,221	100,116	393,789	6,027	9,123	2,992,870
Total Liabilities and Fund Balances	\$ 2,412,307	\$ 1,345,022	\$ 3,538	\$ 7,085,305	\$ 71,702	\$ 24,259	\$ 4,962,959	\$ 100,116	\$ 397,218	\$ 6,027	\$ 48,140	\$ 3,209,405

See accompanying notes to financial statements.

**CLAY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)**

	Special Revenue											
	Florida Art License Plate	Probation Control	Teen Court	Challenger Roadwa MSTU	Student Drivers Education	Unincorporated Municipal Service	911 - Wireless	State Court / Local Requirements	S2 Recording Fee	Crime Prevention Program	Juvenile Program	Building
ASSETS												
Cash and cash equivalents	\$ 4,568	\$ 111,508	\$ 29,920	\$ 2,256	\$ 20,703	\$ 5,876	\$ 251,220	\$ 1,667	\$ 179,733	\$ 86,679	\$ 2,512	\$ 1,341,721
Investments	-	-	-	-	-	2,083,423	1,549,319	-	804,873	-	-	10,172,965
Accounts receivable, net	1	26	7	-	4	22,329	56	-	39	21	6	1,713
Due from other governments	-	-	-	-	-	14,586	187,201	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	29,409	72,504	234,871	-	-	-	108,317	100,533	18,233	3,537	-
Total assets	\$ 4,569	\$ 140,943	\$ 102,431	\$ 237,127	\$ 20,707	\$ 2,126,214	\$ 1,987,796	\$ 109,984	\$ 1,085,178	\$ 104,933	\$ 6,055	\$ 11,516,399
LIABILITIES AND FUND BALANCES												
Liabilities												
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 398,778	\$ 31,246	\$ 20,925	\$ -	\$ -	\$ -	\$ 125,809
Due to other governments	-	34,000	-	-	23	-	-	-	-	-	-	39,807
Due to other funds	-	-	-	234,865	-	275,635	229,958	-	-	-	6,055	-
Total liabilities	-	34,000	-	234,865	23	674,413	261,204	20,925	-	-	6,055	165,616
Fund balances												
Nonspendable												
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-	-	-
Restricted for:												
Law enforcement	-	106,943	-	-	20,684	-	-	-	-	104,933	-	-
Fire and EMS	-	-	-	-	-	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	1,726,592	-	-	-	-	-
Building department	-	-	-	-	-	-	-	-	-	-	-	11,350,783
Municipal services	-	-	-	-	-	1,451,801	-	-	-	-	-	-
Roads and transportation	-	-	-	2,262	-	-	-	-	-	-	-	-
Tourism development	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-	-
Parks and recreation	4,569	-	-	-	-	-	-	-	-	-	-	-
Court costs	-	-	102,431	-	-	-	-	89,059	1,085,178	-	-	-
Capital improvements	-	-	-	-	-	-	-	-	-	-	-	-
Benefit of inmates	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	4,569	106,943	102,431	2,262	20,684	1,451,801	1,726,592	89,059	1,085,178	104,933	-	11,350,783
Total Liabilities and Fund Balances	\$ 4,569	\$ 140,943	\$ 102,431	\$ 237,127	\$ 20,707	\$ 2,126,214	\$ 1,987,796	\$ 109,984	\$ 1,085,178	\$ 104,933	\$ 6,055	\$ 11,516,399

See accompanying notes to financial statements.

**CLAY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)**

	Special Revenue											
	Fire Control MSTU	Fire Inspection	Local Housing Coronavirus Relief	Federal DOJ Forfeiture	CDBG-NSP Grant	Community Development Block Grant	MSBUs	Clerk CDG Supplementary Fee	Clerk Records Modernization	Clerk Information Technology	Clerk BCC Technology	Clerk Fines and Forfeitures
ASSETS												
Cash and cash equivalents	\$ 103,740	\$ 23,727	\$ 11	\$ 50,266	\$ 134,745	\$ -	\$ 309,628	\$ 6,305	\$ 439,072	\$ 1,075,164	\$ 67,273	\$ 749,159
Investments	4,649,009	-	-	-	-	-	-	1,244	81,270	29,331	-	-
Accounts receivable, net	10,537	112	-	12	34	-	80	-	-	-	-	-
Due from other governments	61,050	-	-	-	-	-	2,269	-	-	-	-	29,348
Prepaid items	-	-	-	-	-	-	-	-	-	11,501	5,873	14,112
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	118,982	-	-	2,276	-	-	109,916	-	-
Total assets	\$ 4,824,336	\$ 23,839	\$ 11	\$ 169,260	\$ 134,779	\$ -	\$ 314,253	\$ 7,549	\$ 520,342	\$ 1,225,912	\$ 73,146	\$ 792,619
LIABILITIES AND FUND BALANCES												
Liabilities												
Accounts payable and accrued liabilities	\$ 93,048	\$ 11,597	\$ 11	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 45,723	\$ 2,185	\$ 73,714
Due to other governments	22,114	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	1,372	-	-	-	-	251,751	2,092	-	-	70,961	67,868	-
Total liabilities	116,534	11,597	11	-	-	256,751	2,092	-	-	45,723	73,146	141,582
Fund balances												
Nonspendable												
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	11,501	5,873	14,112
Restricted for:												
Law enforcement	-	-	-	169,260	-	-	-	-	-	-	-	-
Fire and EMS	4,707,802	12,242	-	-	-	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-	-	-	-	-	-
Building department	-	-	-	-	-	-	-	-	-	-	-	-
Municipal services	-	-	-	-	-	-	312,161	-	-	-	-	-
Roads and transportation	-	-	-	-	-	-	-	-	-	-	-	-
Tourism development	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	134,779	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court costs	-	-	-	-	-	-	-	7,549	520,342	1,168,688	-	636,925
Capital improvements	-	-	-	-	-	-	-	-	-	-	-	-
Benefit of inmates	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(256,751)	-	-	-	-	(5,873)	-
Total fund balances	4,707,802	12,242	-	169,260	134,779	(256,751)	312,161	7,549	520,342	1,180,189	-	651,037
Total Liabilities and Fund Balances	\$ 4,824,336	\$ 23,839	\$ 11	\$ 169,260	\$ 134,779	\$ -	\$ 314,253	\$ 7,549	\$ 520,342	\$ 1,225,912	\$ 73,146	\$ 792,619

See accompanying notes to financial statements.

**CLAY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)**

	Special Revenue									Debt Service	Capital Projects	
	Clerk Teen Court	Clerk Clay County Archives	Sheriff Grant	Sheriff Law Enforcement Trust	Sheriff 2nd Dollar Education	Sheriff Drug Investigation	Sheriff Crime Prevention	Sheriff Capital Improvement	Sheriff Inmate Welfare	2020 Bond Debt Revenue	\$12.50 Motor Vehicle Surcharge	Impact Fee District 3
ASSETS												
Cash and cash equivalents	\$ 35,147	\$ 12,873	\$ (15,680)	\$ 189,470	\$ -	\$ -	\$ 12,240	\$ 990,527	\$ 844,024	\$ -	\$ 113,027	\$ 173,502
Investments	-	-	-	-	-	-	-	-	-	-	451,108	7,671,834
Accounts receivable, net	-	-	12,029	-	-	-	-	-	80,243	-	27	43
Due from other governments	-	-	32,739	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	110	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	205	-	15,196	-
Total assets	\$ 35,147	\$ 12,983	\$ 29,088	\$ 189,470	\$ -	\$ -	\$ 12,240	\$ 990,527	\$ 924,472	\$ -	\$ 579,358	\$ 7,845,379
LIABILITIES AND FUND BALANCES												
Liabilities												
Accounts payable and accrued liabilities	\$ 140	\$ -	\$ -	\$ 31	\$ -	\$ -	\$ 2	\$ 159	\$ 67,519	\$ -	\$ 26,961	\$ 9,435
Due to other governments	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	29,088	189,439	-	-	12,238	990,368	35,188	-	-	-
Total liabilities	140	-	29,088	189,470	-	-	12,240	990,527	102,707	-	26,961	9,435
Fund balances												
Nonspendable												
Inventory	-	110	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-	-	-
Restricted for:												
Law enforcement	-	-	-	-	-	-	-	-	-	-	-	-
Fire and EMS	-	-	-	-	-	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-	-	-	-	-	-
Building department	-	-	-	-	-	-	-	-	-	-	-	-
Municipal services	-	-	-	-	-	-	-	-	-	-	-	-
Roads and transportation	-	-	-	-	-	-	-	-	-	-	-	-
Tourism development	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court costs	35,007	12,873	-	-	-	-	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	-	-	-	-	-	552,397	7,835,944
Benefit of inmates	-	-	-	-	-	-	-	-	821,765	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	35,007	12,983	-	-	-	-	-	-	821,765	-	552,397	7,835,944
Total Liabilities and Fund Balances	\$ 35,147	\$ 12,983	\$ 29,088	\$ 189,470	\$ -	\$ -	\$ 12,240	\$ 990,527	\$ 924,472	\$ -	\$ 579,358	\$ 7,845,379

See accompanying notes to financial statements.

**CLAY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)**

	Capital Projects							Total
	Impact Fee District 2	CIP Northeast Sector	CIP West Sector	Branan Field APF	Sidewalk Fund	Lake Asbury APF	Mobility Fees	
ASSETS								
Cash and cash equivalents	\$ 185,267	\$ 104,688	\$ 49,100	\$ 81,971	\$ 85,090	\$ 83,942	\$ 992,855	\$ 10,997,380
Investments	4,259,188	628,831	180,351	1,236,904	100,245	200,492	11,050,295	61,657,384
Accounts receivable, net	51	26	12	20	21	21	1,511	339,731
Due from other governments	-	-	-	-	-	-	-	944,743
Prepaid items	-	-	-	-	-	-	-	31,486
Inventory	-	-	-	-	-	-	-	110
Due from other funds	-	-	-	-	-	-	-	1,083,091
Total assets	\$ 4,444,506	\$ 733,545	\$ 229,463	\$ 1,318,895	\$ 185,356	\$ 284,455	\$ 12,044,661	\$ 75,053,925
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued liabilities	\$ 35,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,412,499
Due to other governments	-	-	-	-	-	-	-	99,201
Due to other funds	-	-	-	-	-	-	-	2,420,883
Total liabilities	35,152	-	-	-	-	-	-	5,932,583
Fund balances								
Nonspendable								
Inventory	-	-	-	-	-	-	-	110
Prepays	-	-	-	-	-	-	-	31,486
Restricted for:								
Law enforcement	-	-	-	-	-	-	-	579,665
Fire and EMS	-	-	-	-	-	-	-	4,720,044
Emergency communications	-	-	-	-	-	-	-	1,726,592
Building department	-	-	-	-	-	-	-	11,350,783
Municipal services	-	-	-	-	-	-	-	1,763,962
Roads and transportation	-	-	-	-	-	-	-	363,758
Tourism development	-	-	-	-	-	-	-	4,827,221
Community services	-	-	-	-	-	-	-	3,131,187
Parks and recreation	-	-	-	-	-	-	-	1,743,380
Court costs	-	-	-	-	-	-	-	10,729,943
Capital improvements	4,409,354	733,545	229,463	1,318,895	185,356	284,455	12,044,661	27,594,070
Benefit of inmates	-	-	-	-	-	-	-	821,765
Unassigned	-	-	-	-	-	-	-	(262,624)
Total fund balances	4,409,354	733,545	229,463	1,318,895	185,356	284,455	12,044,661	69,121,342
Total Liabilities and Fund Balances	\$ 4,444,506	\$ 733,545	\$ 229,463	\$ 1,318,895	\$ 185,356	\$ 284,455	\$ 12,044,661	\$ 75,053,925

See accompanying notes to financial statements.

CLAY COUNTY, FLORIDA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2022
 (CONTINUED)

	Special Revenue											
	County Transportation Fund	Florida Boating Improvement	County Alcohol and Other Drug Abuse	Court Facility	Law Enforcement Trust	Law Library	Tourist Development Trust	2nd Dollar Sheriff Education	Free Library	Investigative Drug	Legal Aid Fees	SHIP Program
Revenues												
Taxes	\$ 4,688,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,689,356	\$ -	\$ -	\$ -	\$ -	\$ -
Permit, fees, and special assessments	1,237	55,309	-	-	-	-	-	-	-	-	-	-
Intergovernmental	3,328,256	-	-	-	-	-	7,009	-	-	-	-	2,332,608
Charges for services	-	-	2,660	601,573	-	46,018	-	29,173	16,707	-	46,018	-
Fines and forfeitures	-	-	-	-	-	-	-	-	51,188	2,469	-	223,829
Miscellaneous revenues	231,300	9,211	41	51,072	1,107	37	32,029	104	6,892	1	15	16,814
Total revenues	<u>8,249,456</u>	<u>64,520</u>	<u>2,701</u>	<u>652,645</u>	<u>1,107</u>	<u>46,055</u>	<u>1,728,394</u>	<u>29,277</u>	<u>74,787</u>	<u>2,470</u>	<u>46,033</u>	<u>2,573,251</u>
Expenditures												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	9,785,898	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	1,163,309	-	-	-	-	1,228,132
Human services	-	-	350,000	-	-	-	-	-	-	-	156,069	-
Culture and recreation	-	-	-	-	-	-	-	64,696	-	-	-	-
Court related	-	-	-	79,363	-	3,050	-	-	-	-	-	-
Capital outlay	1,767,169	-	-	479,147	-	-	20,159	-	-	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>11,553,067</u>	<u>-</u>	<u>350,000</u>	<u>558,510</u>	<u>-</u>	<u>3,050</u>	<u>1,183,468</u>	<u>-</u>	<u>64,696</u>	<u>-</u>	<u>156,069</u>	<u>1,228,132</u>
Excess (deficiency) of revenues over expenditures	<u>(3,303,611)</u>	<u>64,520</u>	<u>(347,299)</u>	<u>94,135</u>	<u>1,107</u>	<u>43,005</u>	<u>544,926</u>	<u>29,277</u>	<u>10,091</u>	<u>2,470</u>	<u>(110,036)</u>	<u>1,345,119</u>
Other financing sources (uses)												
Transfers in	-	-	350,000	-	70,457	-	11,369	-	-	-	100,000	-
Transfers out	-	-	-	-	(85,546)	(43,005)	-	(30,000)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>(15,089)</u>	<u>(43,005)</u>	<u>11,369</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance	<u>(3,303,611)</u>	<u>64,520</u>	<u>2,701</u>	<u>94,135</u>	<u>(13,982)</u>	<u>-</u>	<u>556,295</u>	<u>(723)</u>	<u>10,091</u>	<u>2,470</u>	<u>(10,036)</u>	<u>1,345,119</u>
Fund balances, beginning of year	3,665,107	1,280,502	837	6,968,633	85,684	-	4,270,926	100,839	383,698	3,557	19,159	1,647,751
Fund balances, end of year	<u>\$ 361,496</u>	<u>\$ 1,345,022</u>	<u>\$ 3,538</u>	<u>\$ 7,062,768</u>	<u>\$ 71,702</u>	<u>\$ -</u>	<u>\$ 4,827,221</u>	<u>\$ 100,116</u>	<u>\$ 393,789</u>	<u>\$ 6,027</u>	<u>\$ 9,123</u>	<u>\$ 2,992,870</u>

See accompanying notes to financial statements.

CLAY COUNTY, FLORIDA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2022
 (CONTINUED)

	Special Revenue											
	Florida Art License Plate	Probation Control	Teen Court	Challenger Roadwa MSTU	Student Drivers Education	Unincorporated Municipal Service	911 - Wireless	State Court / Local Requirements	\$2 Recording Fee	Crime Prevention Program	Juvenile Program	Building
Revenues												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,390,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permit, fees, and special assessments	-	-	-	718	-	593,458	-	-	-	-	-	4,262,043
Intergovernmental	3,251	-	-	-	-	37,013	1,263,208	-	-	-	-	-
Charges for services	-	191,045	55,705	-	51,105	896,154	-	46,018	512,914	-	46,018	18,025
Fines and forfeitures	-	-	-	-	-	113,506	-	-	-	77,313	-	-
Miscellaneous revenues	1	99	57	-	57	105,670	12,218	17	5,256	92	37	226,771
Total revenues	<u>3,252</u>	<u>191,144</u>	<u>55,762</u>	<u>718</u>	<u>51,162</u>	<u>3,136,520</u>	<u>1,275,426</u>	<u>46,035</u>	<u>518,170</u>	<u>77,405</u>	<u>46,055</u>	<u>4,506,839</u>
Expenditures												
Current:												
General government	-	-	-	-	-	949,653	-	-	-	-	-	-
Public safety	-	-	-	-	76,025	234,141	606,164	-	-	-	-	2,424,674
Transportation	-	-	-	15	-	1,943,271	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	1,000	-	-	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	255,574	-	-	-	-
Capital outlay	-	-	-	-	-	62,476	56,334	-	-	-	-	237,886
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>76,025</u>	<u>3,189,541</u>	<u>662,498</u>	<u>255,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,662,560</u>
Excess (deficiency) of revenues over expenditures	<u>2,252</u>	<u>191,144</u>	<u>55,762</u>	<u>703</u>	<u>(24,863)</u>	<u>(53,021)</u>	<u>612,928</u>	<u>(209,539)</u>	<u>518,170</u>	<u>77,405</u>	<u>46,055</u>	<u>1,844,279</u>
Other financing sources (uses)												
Transfers in	-	14,945	67,095	234,871	-	-	-	163,780	70,961	12,238	-	-
Transfers out	-	(187,946)	(202,000)	(234,865)	-	-	(229,958)	-	(335,092)	(78,696)	(46,055)	-
Total other financing sources (uses)	<u>-</u>	<u>(173,001)</u>	<u>(134,905)</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>(229,958)</u>	<u>163,780</u>	<u>(264,131)</u>	<u>(66,458)</u>	<u>(46,055)</u>	<u>-</u>
Net change in fund balance	<u>2,252</u>	<u>18,143</u>	<u>(79,143)</u>	<u>709</u>	<u>(24,863)</u>	<u>(53,021)</u>	<u>382,970</u>	<u>(45,759)</u>	<u>254,039</u>	<u>10,947</u>	<u>-</u>	<u>1,844,279</u>
Fund balances, beginning of year	2,317	88,800	181,574	1,553	45,547	1,504,822	1,343,622	134,818	831,139	93,986	-	9,506,504
Fund balances, end of year	<u>\$ 4,569</u>	<u>\$ 106,943</u>	<u>\$ 102,431</u>	<u>\$ 2,262</u>	<u>\$ 20,684</u>	<u>\$ 1,451,801</u>	<u>\$ 1,726,592</u>	<u>\$ 89,059</u>	<u>\$ 1,085,178</u>	<u>\$ 104,933</u>	<u>\$ -</u>	<u>\$ 11,350,783</u>

See accompanying notes to financial statements.

CLAY COUNTY, FLORIDA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2022
 (CONTINUED)

	Special Revenue											
	Fire Control MSTU	Fire Inspection	Local Housing Coronavirus Relief	Federal DOJ Forfeiture	CDBG-NSP Grant	Community Development Block Grant	MSBUs	Clerk CDG Supplementary Fee	Clerk Records Modernization	Clerk Information Technology	Clerk BCC Technology	Clerk Fines and Forfeitures
Revenues												
Taxes	\$ 6,067,411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permit, fees, and special assessments	-	-	-	-	-	-	309,337	-	-	-	-	-
Intergovernmental	41,000	-	-	-	-	-	-	-	-	-	-	385,261
Charges for services	1,364	95,110	-	-	-	-	-	180	158,389	487,268	-	3,069,322
Fines and forfeitures	-	-	-	-	30,246	-	-	-	-	-	-	819,040
Miscellaneous revenues	128,869	1,318	-	66	151	-	332	(50)	(3,268)	(1,180)	-	-
Total revenues	6,238,644	96,428	-	66	30,397	-	309,669	130	155,121	486,088	-	4,273,623
Expenditures												
Current:												
General government	-	-	-	-	-	-	-	-	52,940	-	-	-
Public safety	6,947,953	77,490	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	250,706	101,611	-	-	-	-	-
Economic environment	-	-	11	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	6,045	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-	-	-	268,311	178,163	4,259,936
Capital outlay	62,319	130,398	-	-	-	-	-	-	-	23,673	86,924	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	7,010,272	207,888	11	-	-	256,751	101,611	-	52,940	291,984	265,087	4,259,936
Excess (deficiency) of revenues over expenditures	(771,628)	(111,460)	(11)	66	30,397	(256,751)	208,058	130	102,181	194,104	(265,087)	13,687
Other financing sources (uses)												
Transfers in	-	-	-	118,982	-	-	2,276	-	-	-	335,092	-
Transfers out	-	-	-	(119,103)	-	-	-	-	-	-	(70,961)	-
Total other financing sources (uses)	-	-	-	(121)	-	-	2,276	-	-	-	264,131	-
Net change in fund balance	(771,628)	(111,460)	(11)	(55)	30,397	(256,751)	210,334	130	102,181	194,104	(956)	13,687
Fund balances, beginning of year	5,479,430	123,702	11	169,315	104,382	-	101,827	7,419	418,161	986,085	956	637,350
Fund balances, end of year	\$ 4,707,802	\$ 12,242	\$ -	\$ 169,260	\$ 134,779	\$ (256,751)	\$ 312,161	\$ 7,549	\$ 520,342	\$ 1,180,189	\$ -	\$ 651,037

See accompanying notes to financial statements.

CLAY COUNTY, FLORIDA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2022
 (CONTINUED)

	Special Revenue									Debt Service	Capital Projects	
	Clerk Teen Court	Clerk Clay County Archives	Sheriff Grant	Sheriff Law Enforcement Trust	Sheriff 2nd Dollar Education	Sheriff Drug Investigation	Sheriff Crime Prevention	Sheriff Capital Improvement	Sheriff Inmate Welfare	2020 Bond Debt Revenue	\$12.50 Motor Vehicle Surcharge	Impact Fee District 3
Revenues												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permit, fees, and special assessments	-	-	-	-	-	-	-	-	-	-	-	465,575
Intergovernmental	-	-	138,353	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	584,791	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	145,227	-
Miscellaneous revenues	8,210	3,544	45,458	-	-	-	-	-	8,320	-	1,517	58,965
Total revenues	<u>8,210</u>	<u>3,544</u>	<u>183,811</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>593,111</u>	<u>-</u>	<u>146,744</u>	<u>524,540</u>
Expenditures												
Current:												
General government	-	1,756	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	410,029	15,210	30,000	-	66,458	2,866	506,110	-	34,785	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court related	6,587	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	34,714	-	-	-	-	1,473,179	87,758	-	23,088	9,435
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	3,560,000	-	-
Interest	-	-	-	-	-	-	-	-	-	4,843,000	-	-
Other	-	-	-	-	-	-	-	-	-	3,000	-	-
Total expenditures	<u>6,587</u>	<u>1,756</u>	<u>444,743</u>	<u>15,210</u>	<u>30,000</u>	<u>-</u>	<u>66,458</u>	<u>1,476,045</u>	<u>593,868</u>	<u>8,406,000</u>	<u>57,873</u>	<u>9,435</u>
Excess (deficiency) of revenues over expenditures	<u>1,623</u>	<u>1,788</u>	<u>(260,932)</u>	<u>(15,210)</u>	<u>(30,000)</u>	<u>-</u>	<u>(66,458)</u>	<u>(1,476,045)</u>	<u>(757)</u>	<u>(8,406,000)</u>	<u>88,871</u>	<u>515,105</u>
Other financing sources (uses)												
Transfers in	-	-	266,920	204,649	30,000	-	78,696	2,466,413	-	8,406,000	-	-
Transfers out	-	-	(5,988)	(189,439)	-	-	(12,238)	(990,368)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>260,932</u>	<u>15,210</u>	<u>30,000</u>	<u>-</u>	<u>66,458</u>	<u>1,476,045</u>	<u>-</u>	<u>8,406,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>1,623</u>	<u>1,788</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(757)</u>	<u>-</u>	<u>88,871</u>	<u>515,105</u>
Fund balances, beginning of year	<u>33,384</u>	<u>11,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>822,522</u>	<u>-</u>	<u>463,526</u>	<u>7,320,839</u>
Fund balances, end of year	<u>\$ 35,007</u>	<u>\$ 12,983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 821,765</u>	<u>\$ -</u>	<u>\$ 552,397</u>	<u>\$ 7,835,944</u>

See accompanying notes to financial statements.

CLAY COUNTY, FLORIDA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2022
 (CONTINUED)

	Capital Projects							Total
	Impact Fee District 2	CIP Northeast Sector	CIP West Sector	Branan Field APF	Sidewalk Fund	Lake Asbury APF	Mobility Fees	
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,836,149
Permit, fees, and special assessments	15,439	-	-	258,934	55,625	64,800	8,359,079	14,441,554
Intergovernmental	-	-	-	-	-	-	-	7,535,959
Charges for services	-	-	-	-	-	-	-	6,955,557
Fines and forfeitures	-	-	-	-	-	-	-	1,462,818
Miscellaneous revenues	33,522	3,844	1,317	8,001	404	719	54,372	1,053,329
Total revenues	<u>48,961</u>	<u>3,844</u>	<u>1,317</u>	<u>266,935</u>	<u>56,029</u>	<u>65,519</u>	<u>8,413,451</u>	<u>45,285,366</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	1,004,349
Public safety	-	-	-	-	-	-	-	11,431,905
Transportation	-	-	-	-	-	-	-	12,081,501
Economic environment	-	-	-	-	-	-	-	2,391,452
Human services	-	-	-	-	-	-	-	512,114
Culture and recreation	-	-	-	-	-	-	-	65,696
Court related	-	-	-	-	-	-	-	5,050,984
Capital outlay	80,565	-	-	-	-	-	-	4,635,224
Debt service:								
Principal	-	-	-	-	-	-	-	3,560,000
Interest	-	-	-	-	-	-	-	4,843,000
Other	-	-	-	-	-	-	-	3,000
Total expenditures	<u>80,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,579,225</u>
Excess (deficiency) of revenues over expenditures	<u>(31,604)</u>	<u>3,844</u>	<u>1,317</u>	<u>266,935</u>	<u>56,029</u>	<u>65,519</u>	<u>8,413,451</u>	<u>(293,859)</u>
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	13,004,744
Transfers out	-	-	-	-	-	-	-	(2,861,260)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,143,484</u>
Net change in fund balance	<u>(31,604)</u>	<u>3,844</u>	<u>1,317</u>	<u>266,935</u>	<u>56,029</u>	<u>65,519</u>	<u>8,413,451</u>	<u>9,849,625</u>
Fund balances, beginning of year	4,440,958	729,701	228,146	1,051,960	129,327	218,936	3,631,210	59,271,717
Fund balances, end of year	<u>\$ 4,409,354</u>	<u>\$ 733,545</u>	<u>\$ 229,463</u>	<u>\$ 1,318,895</u>	<u>\$ 185,356</u>	<u>\$ 284,455</u>	<u>\$ 12,044,661</u>	<u>\$ 69,121,342</u>

See accompanying notes to financial statements.

CLAY 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 Agency Funds</u>
ASSETS				
Cash and equivalents	\$ 10,368,080	\$ 83,982	\$ 2,098,048	\$ 12,550,110
Receivables	1,876	23,003	5,019	29,898
Due from other governments	2,442	-	-	2,442
Total assets	<u>\$ 10,372,398</u>	<u>\$ 106,985</u>	<u>\$ 2,103,067</u>	<u>\$ 12,582,450</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ -	\$ 26,711	\$ 783	\$ 27,494
Assets held for others	228,342	-	2,092,663	2,321,005
Due to other funds	159,983	65,300	8,721	234,004
Due to other governments	322,765	-	-	322,765
Total liabilities	<u>\$ 711,090</u>	<u>\$ 92,011</u>	<u>\$ 2,102,167</u>	<u>\$ 2,905,268</u>
NET POSITION				
Restricted for benefit of others	<u>\$ 9,661,308</u>	<u>\$ 14,974</u>	<u>\$ 900</u>	<u>\$ 9,677,182</u>

See accompanying notes to financial statements.

CLAY COUNTY, FLORIDA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	Clerk of Circuit Court	Sheriff	Tax Collector	Total Agency Funds
Additions				
Taxes	\$ -	\$ 69,216	\$ -	\$ 69,216
Taxes and fees for other governments	-	-	276,997,871	276,997,871
Taxes and fees for individuals	-	-	5,808,072	5,808,072
Charges for services	11,735,151	518,213	-	12,253,364
Refunds collected for individuals	-	-	1,595,507	1,595,507
Commissions collected for general fund	-	-	6,086,155	6,086,155
Permits, fees, and special assessments	-	1,163,520	-	1,163,520
Court related	77,345,112	-	-	77,345,112
Total additions	89,080,263	1,750,949	290,487,605	381,318,817
Deductions				
Court related payments	73,395,518	-	-	73,395,518
Payments to individuals	-	69,216	7,403,579	7,472,795
Payments to other governments	11,839,062	647,254	276,999,371	289,485,687
Payments to BOCC	-	516,266	6,086,155	6,602,421
Payments to constitutional officers	-	543,429	-	543,429
Total deductions	85,234,580	1,776,165	290,489,105	377,499,850
Net change in fiduciary net position	3,845,683	(25,216)	(1,500)	3,818,967
Net position, beginning of year	5,815,625	40,190	2,400	5,858,215
Net position, end of year	\$ 9,661,308	\$ 14,974	\$ 900	\$ 9,677,182

See accompanying notes to financial statements.

CLAY 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	ALN/ CSFA Number	Contract Number	Expenditures
FEDERAL AGENCY			
Department of Housing and Urban Development			
Direct:			
Community Development Block Grants / Entitlement Grants Cluster	14.218	2021/2022-76	256,751
Passed through Florida Department of Economic Opportunity			
Community Development Block Grants/State's program/Non-Entitlement Grants in I	14.228	10096	509,665
Total Department of Housing and Urban Development			<u>766,416</u>
Department of Justice			
Passed through the the Office of Justice Programs			
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	15PBJA-21-GG-01305-JAGX	43,475
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	FAIN 2020DJBX0656	1,204
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2021-JAGC-CLAY-1-3B-010	48,611
			<u>93,290</u>
Crime Victim Assistance	16.575	VOCA-2021-00546	132,900
Direct:			
Community Development Block Grants/State's program/Non-Entitlement Grants in I	16.710	FAIN 2020ULWX0028	200,940
Total Department of Justice			<u>427,130</u>
Department of Transportation			
Passed through Florida Department of Transportation:			
Highway Planning & Construction	20.205	G1H49	838,810
Highway Planning & Construction	20.205	G1546	619,700
Total Highway Planning & Construction Cluster			<u>1,458,510</u>
Total Department of Transportation			<u>1,458,510</u>
Department of State			
Passed through Florida Department of State, Division of Elections			
2021-2022 Election Security Grant- ESF4	90.404	22.e.es.300.010	31,418
Election Security Grant 2022 Network Failover	90.404	22.e.es.000.025	6,583
2022 Federal Elections Security Grant	90.404	22.e.es.000.010	598
Private Network Security	90.401	22.e.es.200.010	4,150
Total Department of State			<u>42,749</u>
Department of Health and Human Services			
Passed through the Florida Department of State			
Injury Prevention and Control Research and State and Community Based Programs	93.136	CHD10-077	175,331
Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	N/A	441,753
Child Support Enforcement	93.563	COC10	177,069
Total Department of Health and Human Services			<u>794,153</u>
Department of Homeland Security			
Passed through Florida Department of Economic Opportunity			
Emergency Management Performance Grant	97.042	G0321	74,890
Emergency Management Performance Grant	97.042	G0334	13,926
Emergency Management Performance Grant	97.042	G0103	52,510
Emergency Management Performance Grant	97.042	C0010	4,520
			<u>145,846</u>
Passed through Florida Department of Economic Opportunity			
Hazard Mitigation Grant	97.039	DEM-20-HM-4337-10-BF-H0214	23,928
Hazard Mitigation Grant	97.039	DEM-20-HM-4337-10-BF-H0520	11,766
Hazard Mitigation Grant	97.039	DEM-20-HM-4337-10-BF-H0233	47,114
Hazard Mitigation Grant	97.039	DEM-20-HM-4337-10-BF-H0227	19,416
Hazard Mitigation Grant	97.039	DEM-20-HM-4337-18-BF-H0204	19,900
Hazard Mitigation Grant	97.039	DEM-20-HM-4337-10-BF-H0218	184,840
Hazard Mitigation Grant	97.039	NA	93,185
Hazard Mitigation Grant	97.039	DR-4337-126-R, H0218	246,453
			<u>646,602</u>
Passed through Florida Department of Economic Opportunity			
Homeland Security Grant Program	97.067	EMW-2019-SS-00049	18,925
Flood Mitigation Assistance	97.029	DEM-20-FM-2018-10-00-B0071	128,903
Assistance to Firefighters Grant	97.044	N/A	26,667
Fire Management Assistance Grant	97.046	N/A	37,298
Total Department of Homeland Security			<u>1,004,241</u>
Department of the Treasury			
Passed through Florida Division of Emergency Management:			
COVID-19 - Emergency Rental Assistance Program	21.023	FAINERA0220	2,024,743
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	FAINSLFRP0344	5,007,434
			<u>7,032,177</u>
Passed through the Federal Communications Commission			
Emergency Connectivity Fund Program	32.009	ECF202109040	9,868
Total Department of the Treasury			<u>7,042,045</u>
National Endowment of the Humanities			
Direct:			
Promotion of the Humanities Public Programs	45.164	N/A	9,250
Total National Endowment of the Humanities			<u>9,250</u>
Institute Of Museum And Library Services			
Direct:			
National Leadership Grants	45.312	ARPM-250790-OMLS-22	3,037
Total Institute Of Museum And Library Services			<u>3,037</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 11,547,531</u>

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

CLAY 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	ALN/ CSFA Number	Contract Number	Expenditures
STATE AGENCY			
Executive Office of the Governor			
Direct:			
Hurricane Shelter Retrofit Project	31.068	DEM-18-SR-3D-04-20-01-027	\$ 28,428
Emergency Management Projects	31.063	A0220	117,154
Emergency Management Projects	31.063	A0285	37,158
			<u>154,312</u>
Total Executive Office of the Governor			<u>182,740</u>
Florida Department of Economic Opportunity			
Direct:			
Division of Housing and Community Development	40.038	HL121	1,343,405
Division of Strategic Business Development			
Economic Development Tax Refund, Tax Credit, and Grant Program	40.043	G0W81	1,480,188
			<u>2,823,593</u>
Total Florida Department of Economic Opportunity			<u>2,823,593</u>
Florida Department of Agriculture and Consumer Services			
Bureau of Entomology and Pest Control			
Mosquito Control State Aid	42.003	2019-2020	36,960
Mosquito Control State Aid	42.003	28437	38,026
Total Bureau of Entomology and Pest Control			<u>74,986</u>
Direct:			
Agriculture Education and Promotional Facility	42.047	27937	27,403
Agriculture Education and Promotional Facility	42.047	26587	56,329
			<u>83,732</u>
Total Florida Department of Agriculture and Consumer Services			<u>158,718</u>
Florida Department of State			
Direct:			
Acquisition, Restoration Of Historic Properties	45.032	20.h.sc.900.168	134,546
Acquisition, Restoration Of Historic Properties	45.032	20.h.sc.100.117	147,378
Total Acquisition, Restoration Of Historic Properties			<u>281,924</u>
State Aid to Libraries	45.030	22-ST-07	25,382
Total Florida Department of State			<u>307,306</u>
Florida Department of Transportation			
Direct:			
Local Transportation Projects	55.039	G1H82	1,805
Local Transportation Projects	55.039	G2484	44,631
Total Local Transportation Projects			<u>46,436</u>
Total Florida Department of Transportation			<u>46,436</u>
Florida Department of Health			
Direct:			
Emergency Medical Services County Grant	64.005	C9010	11,631
Emergency Medical Services Matching Grant	64.003	M0010	7,291
Total Community Health Initiatives			<u>18,922</u>
Total Florida Department of Health			<u>18,922</u>
Department of Highway Safety and Motor Vehicles			
Direct:			
Florida Arts License Plates Project	76.041	NA	1,000
Total Department of Highway Safety and Motor Vehicles			<u>1,000</u>
Department of Juvenile Justice			
Direct:			
Sheriff's Work Ethics and Training (SWEAT) Program	80.029	10686	156,976
Total Department of Juvenile Justice			<u>156,976</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 3,695,690</u>

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

CLAY 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 Clay 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) **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.

(4) **Subrecipients:**

During the year ended September 30, 2022, the County provided \$600,000 of expenditures under Assistance Listing Number 21.027, COVID-19 Coronavirus State and Local Fiscal Recovery Funds, to subrecipients.

(5) **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.

OTHER REPORTS AND SCHEDULE

**CLAY 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: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X 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 auditors' 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
21.023	COVID-19 Emergency Rental Assistance
21.027	COVID-19 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 auditors' 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 programs:

<u>CSFA Number</u>	<u>Program Name</u>
40.038	Division of Housing and Community Development
40.043	Economic Development Tax Refund and Credit Program

B. **Financial Statement Findings:** None.

C. **Federal Award Findings and Questioned Costs:** None.

D. **State Project Findings and Questioned Costs:** None.

E. **Summary Schedule of Prior Audit Findings:**

2021-001 Improper Recording of Unearned Grant Revenue: Corrective action taken.

F. **Corrective Action Plan:** Not applicable as there are no current year findings.

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

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

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

Opinion on Each Major Federal Program and Each Major State Project

We have audited Clay County, Florida (the County)'s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and 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 major state projects for the year ended September 30, 2022. The County's major federal programs and major 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program and Each Major 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 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 major 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 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 and Chapter 10.550, Rules of the Auditor General, 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.

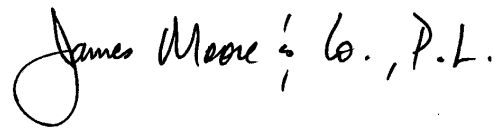
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 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 the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report 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" and a distinct "Co." followed by "P.L.".

Daytona Beach, Florida
June 22, 2023



**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,
Clay County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Clay County, Florida (the County) as of and for the year ended September 30, 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 22, 2023.

We did not audit the financial statements of the Housing Finance Authority of Clay County, which is the County's discretely presented component unit. Those financial statements were audited by another auditor whose report has been furnished to us and our opinions, insofar as they relate to the amounts included for the Housing Finance Authority of Clay County, are based solely on the report of the other auditor.

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

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

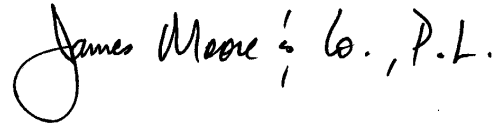
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

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, looping initial "J".

Daytona Beach, Florida
June 22, 2023



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

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

Report on the Financial Statements

We have audited the financial statements of Clay County, Florida (the County), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 22, 2023.

We did not audit the financial statements of the Housing Finance Authority of Clay County, which is the County's discretely presented component unit. Those financial statements were audited by another auditor whose report has been furnished to us and our opinions, insofar as they relate to the amounts included for the Housing Finance Authority of Clay County, are based solely on the report of the other auditor.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance in accordance with the Uniform Guidance and Chapter 10.550 Rules of the Florida Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountants' Examination Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 22, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The following summarizes the current status of prior year comments and recommendation:

2021-001 Improper Recording of Unearned Grant Revenue – Corrective action taken.

Official Title and Legal Authority

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

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 to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. 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 had the following recommendations:

2022-001 Unexpended Fund Balance – Building Permits – Section 553.80(7)(a), Florida Statutes, limits the amount of unexpended building permit funds carried forward to future fiscal years to no more than the County's average operating budget for enforcing the Florida Building Code for the previous four fiscal years. A local government must use any funds in excess of this limitation to rebate or reduce fees. The County's unexpended building permit funds in the Building Department Fund at September 30, 2022, exceeded the average operating budget for enforcing the Florida Building Code for the previous four fiscal years. We recommend the County analyze the current and future projections of this fund's activity and make any adjustments deemed necessary in order to comply with Section 553.80(7)(a) of Florida Statutes.

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 audit the financial statements of the Housing Finance Authority of Clay County, which is the County's discretely presented component unit. Those financial statements were audited by another auditor whose report should be considered in conjunction with this management letter.

Additional Matters

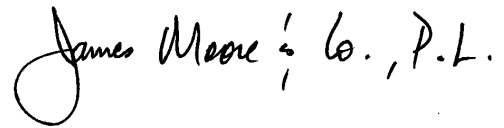
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants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

County's Response to Recommendations

The County's responses to the recommendations identified in our audit are described in the management's response 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.

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 22, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

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

We have examined the compliance of Clay 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. The 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 American Institute of Certified Public Accountants (AICPA). Those standards require that we obtain reasonable assurance for evaluating the County's compliance with the Statutes, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the County's compliance with the Statutes. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that the County was not in compliance with the Statutes 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 the engagement.

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

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

Daytona Beach, Florida
June 22, 2023

MANAGEMENT'S RESPONSE

2022-001 Unexpended Fund Balance – Building Permits

Management Response: The County has analyzed the current and future projections and will incorporate all activities that have occurred after fiscal year ended September 30, 2022. We will make adjustments as necessary to comply with Section 553.80(7)(a) of the Florida Statutes.

CLAY COUNTY CLERK OF COURT AND COMPTROLLER

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

SEPTEMBER 30, 2022

CLAY COUNTY CLERK OF COURT AND COMPTROLLER

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

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Tara S. Green, Clerk of the Circuit Court,
Clay 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 Clay County Clerk of Court and Comptroller (the Office), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Clay County Clerk of Court and Comptroller'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 of the Office as of September 30, 2022, and the respective changes in financial position, and 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 Clay County, Florida (the County), that is attributable to the Clay County Clerk of Court and Comptroller. They do not purport to, and do not, present fairly the financial position of Clay County, Florida 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 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 16, 2023, 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 16, 2023

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	<u>General Fund</u>	<u>Fine and Forfeiture Fund</u>	<u>Records Modernization Trust Fund</u>	<u>Information Technology Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and cash equivalents	\$ 441,774	\$ 749,159	\$ 439,072	\$ 1,075,164	121,598	\$ 2,826,767
Investments	-	-	81,270	29,331	1,244	111,845
Receivables	884	-	-	-	-	884
Due from other governments	40,080	29,348	-	-	-	69,428
Due from other county agencies	3,231	-	-	-	-	3,231
Due from other funds	-	-	-	109,916	-	109,916
Prepaid items	30,980	14,112	-	11,501	5,873	62,466
Inventory	-	-	-	-	110	110
Total Assets	<u>\$ 516,949</u>	<u>\$ 792,619</u>	<u>\$ 520,342</u>	<u>\$ 1,225,912</u>	<u>\$ 128,825</u>	<u>\$ 3,184,647</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable and accrued liabilities	\$ 211,184	\$ 73,714	\$ -	\$ 45,723	\$ 2,325	\$ 332,946
Due to other county agencies	263,717	-	-	-	70,961	334,678
Due to other funds	42,048	67,868	-	-	-	109,916
Total liabilities	<u>516,949</u>	<u>141,582</u>	<u>-</u>	<u>45,723</u>	<u>73,286</u>	<u>777,540</u>
Fund Balances						
Nonspendable for prepaids and inventory	30,980	14,112	-	11,501	5,983	62,576
Restricted for court costs	-	-	520,342	1,168,688	49,556	1,738,586
Unassigned	(30,980)	636,925	-	-	-	605,945
Total fund balances	<u>-</u>	<u>651,037</u>	<u>520,342</u>	<u>1,180,189</u>	<u>55,539</u>	<u>2,407,107</u>
Total Liabilities and Fund Balances	<u>\$ 516,949</u>	<u>\$ 792,619</u>	<u>\$ 520,342</u>	<u>\$ 1,225,912</u>	<u>\$ 128,825</u>	<u>\$ 3,184,647</u>

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

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Fine and Forfeiture Fund	Records Modernization Trust Fund	Information Technology Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Intergovernmental	\$ 57,822	\$ 385,261	\$ -	\$ -	\$ -	\$ 443,083
Charges for services	1,658,164	3,069,322	158,389	487,268	180	5,373,323
Fines and forfeitures	-	819,040	-	-	-	819,040
Investment income (loss)	-	-	(3,268)	(1,180)	(50)	(4,498)
Miscellaneous revenue	4,260	-	-	-	11,754	16,014
Total revenues	<u>1,720,246</u>	<u>4,273,623</u>	<u>155,121</u>	<u>486,088</u>	<u>11,884</u>	<u>6,646,962</u>
Expenditures						
Current:						
General government	3,126,023	-	52,940	-	1,756	3,180,719
Court related	374,166	3,942,710	-	268,311	184,750	4,769,937
Capital outlay	113,640	-	-	23,673	86,924	224,237
Total expenditures	<u>3,613,829</u>	<u>3,942,710</u>	<u>52,940</u>	<u>291,984</u>	<u>273,430</u>	<u>8,174,893</u>
Excess (deficiency) of revenues over expenditures	<u>(1,893,583)</u>	<u>330,913</u>	<u>102,181</u>	<u>194,104</u>	<u>(261,546)</u>	<u>(1,527,931)</u>
Other financing sources (uses)						
Appropriations from Board of County Commissioners	2,156,296	-	-	-	335,092	2,491,388
Reversion to Clerks of Court Trust Fund	-	(317,226)	-	-	-	(317,226)
Reversion to Board of County Commissioners	(263,719)	-	-	-	(70,961)	(334,680)
Total other financing sources (uses)	<u>1,892,577</u>	<u>(317,226)</u>	<u>-</u>	<u>-</u>	<u>264,131</u>	<u>1,839,482</u>
Net change in fund balance	<u>(1,006)</u>	<u>13,687</u>	<u>102,181</u>	<u>194,104</u>	<u>2,585</u>	<u>311,551</u>
Fund balances, beginning of year	1,006	637,350	418,161	986,085	52,954	2,095,556
Fund balances, end of year	<u>\$ -</u>	<u>\$ 651,037</u>	<u>\$ 520,342</u>	<u>\$ 1,180,189</u>	<u>\$ 55,539</u>	<u>\$ 2,407,107</u>

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

**CLAY COUNTY CLERK OF COURT AND COMPTROLLER
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 10,368,080
Receivables	1,876
Due from other governments	2,442
Total Assets	\$ 10,372,398
Liabilities	
Due to individuals	\$ 228,342
Due to other governments	322,765
Due to other County agencies	159,983
Total Liabilities	\$ 711,090
Net Position	
Restricted for:	
Other individuals and organizations	\$ 9,661,308
Total Liabilities and Net Position	\$ 10,372,398

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

**CLAY COUNTY CLERK OF COURT AND COMPTROLLER
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Custodial Funds
Additions	
Fines and fees collected	\$ 11,735,151
Court related deposits	77,345,112
Total additions	89,080,263
Deductions	
Fines and fees disbursed	11,839,062
Court related deposits disbursed	73,395,518
Total deductions	85,234,580
Net change in fiduciary net position	3,845,683
Net position, beginning of year	5,815,625
Net position, end of year	\$ 9,661,308

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

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

The accounting policies of the Clay County Clerk of Court and Comptroller (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. The Office is an integral part of Clay County, Florida (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. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental fund:

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.

Fine and Forfeiture Fund- Used to account for fines, court costs, filing fees, and service charges as mandated by Florida Statutes for court-related expenditures.

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 the public records system of the office.

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

The Office reports the following nonmajor funds:

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

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

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

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

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Additionally, the Office reports the following fiduciary fund type:

Custodial Funds – Custodial funds are used to account for resources held by the Office 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.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on 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) **Investments**—The Office invests certain surplus funds in the Florida Local Government Investment Trust's ("FLGIT") short-term bond fund. The FLGIT is an external investment pool administered by the Florida Association of Court Clerks and Comptrollers, and is not registered with the SEC. The Trust is an open-ended professionally managed fund available only to public entities in Florida. The fair value of the position in the FLGIT is equal to the value of the pool shares. Such investments are reported at fair value.

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

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by 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.

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

(i) **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 leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. The Office maintained compensated absence records for the hours earned, used and available.

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

(j) **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. Assigned amounts represent residual external funding to be used by the Office. 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.

(k) **Restricted net position**—In the accompanying statement of net position, restricted net position, if any, is subject to restrictions beyond the Office's control. The restriction is either externally imposed (for instance, by creditors, grantors, contributors, or laws/regulations of other governments) or is imposed by law through constitutional provisions or enabling legislation. It is the practice of the Office to utilize restricted assets before unrestricted assets.

(l) **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.

(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 Florida Local Government Investment Trust's ("FLGIT") short-term bond fund administered by the Florida Association of Court Clerks and Comptrollers.

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(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 is obtained in conjunction with the County 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 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

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ 48,449	\$ 48,449	\$ 57,822	\$ 9,373
Charges for services	1,671,725	1,671,725	1,658,164	(13,561)
Miscellaneous	5,000	5,000	4,260	(740)
Total revenues	<u>1,725,174</u>	<u>1,725,174</u>	<u>1,720,246</u>	<u>(4,928)</u>
Expenditures				
Current:				
General government	3,305,512	3,305,512	3,126,023	179,489
Court related	400,482	400,482	374,166	26,316
Capital outlay	127,036	127,036	113,640	13,396
Total expenditures	<u>3,833,030</u>	<u>3,833,030</u>	<u>3,613,829</u>	<u>219,201</u>
Excess (deficiency) of revenues over expenditures	<u>(2,107,856)</u>	<u>(2,107,856)</u>	<u>(1,893,583)</u>	<u>214,273</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	2,156,296	2,156,296	2,156,296	-
Reversion to Board of County Commissioners	-	-	(263,719)	(263,719)
Total other financing sources (uses)	<u>2,156,296</u>	<u>2,156,296</u>	<u>1,892,577</u>	<u>(263,719)</u>
Net change in fund balance	<u>48,440</u>	<u>48,440</u>	<u>(1,006)</u>	<u>(49,446)</u>
Fund balance, beginning of year	1,006	1,006	1,006	-
Fund balance, end of year	<u>\$ 49,446</u>	<u>\$ 49,446</u>	<u>\$ -</u>	<u>\$ (49,446)</u>

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

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FINE AND FORFEITURE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ 103,502	\$ 103,502	\$ 385,261	\$ 281,759
Charges for services	3,023,400	3,023,400	3,069,322	45,922
Fines and forfeitures	769,000	769,000	819,040	50,040
Total revenues	<u>3,895,902</u>	<u>3,895,902</u>	<u>4,273,623</u>	<u>377,721</u>
Expenditures				
Current:				
Court related	3,759,589	3,759,589	3,942,710	(183,121)
Total expenditures	<u>3,759,589</u>	<u>3,759,589</u>	<u>3,942,710</u>	<u>(183,121)</u>
Excess (deficiency) of revenues over expenditures	<u>136,313</u>	<u>136,313</u>	<u>330,913</u>	<u>(194,600)</u>
Other financing sources (uses)				
Reversion to Clerks of Court Trust Fund	(136,313)	(136,313)	(317,226)	(180,913)
Total other financing sources (uses)	<u>(136,313)</u>	<u>(136,313)</u>	<u>(317,226)</u>	<u>(180,913)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>13,687</u>	<u>(375,513)</u>
Fund balance, beginning of year	637,350	637,350	637,350	-
Fund balance, end of year	<u>\$ 637,350</u>	<u>\$ 637,350</u>	<u>\$ 651,037</u>	<u>\$ (375,513)</u>
Reconciliation of budgetary compliance:				
Total expenditures presented in Fine and Forfeiture Fund	\$ 3,895,902	\$ 3,895,902	\$ 3,942,710	(46,808)
Less: expenditures with no legally adopted budget	-	-	177,069	(177,069)
Net budgetary expenditures in Fine and Forfeiture Fund	<u>\$ 3,895,902</u>	<u>\$ 3,895,902</u>	<u>\$ 3,765,641</u>	<u>\$ 130,261</u>

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

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
RECORDS MODERNIZATION TRUST FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 133,000	\$ 133,000	158,389	\$ 25,389
Fines and forfeitures	-	-	-	-
Investment income (loss)	-	-	(3,268)	(3,268)
Miscellaneous	-	-	-	-
Total revenues	<u>133,000</u>	<u>133,000</u>	<u>155,121</u>	<u>22,121</u>
Expenditures				
Current:				
General government	103,000	103,000	52,940	50,060
Capital outlay	8,000	8,000	-	8,000
Total expenditures	<u>111,000</u>	<u>111,000</u>	<u>52,940</u>	<u>58,060</u>
Excess (deficiency) of revenues over expenditures	<u>22,000</u>	<u>22,000</u>	<u>102,181</u>	<u>80,181</u>
Net change in fund balance	<u>22,000</u>	<u>22,000</u>	<u>102,181</u>	<u>80,181</u>
Fund balance, beginning of year	418,161	418,161	418,161	-
Fund balance, end of year	<u>\$ 440,161</u>	<u>\$ 440,161</u>	<u>\$ 520,342</u>	<u>\$ 80,181</u>

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

CLAY COUNTY CLERK OF COURT AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
INFORMATION TECHNOLOGY FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 410,000	\$ 410,000	487,268	\$ 77,268
Investment income (loss)	-	-	(1,180)	(1,180)
Total revenues	<u>410,000</u>	<u>410,000</u>	<u>486,088</u>	<u>76,088</u>
Expenditures				
Current:				
Court related	663,301	663,301	268,311	394,990
Capital outlay	33,800	33,800	23,673	10,127
Total expenditures	<u>697,101</u>	<u>697,101</u>	<u>291,984</u>	<u>405,117</u>
Excess (deficiency) of revenues over expenditures	<u>(287,101)</u>	<u>(287,101)</u>	<u>194,104</u>	<u>481,205</u>
Net change in fund balance	<u>(287,101)</u>	<u>(287,101)</u>	<u>194,104</u>	<u>481,205</u>
Fund balance, beginning of year	986,085	986,085	986,085	-
Fund balance, end of year	<u>\$ 698,984</u>	<u>\$ 698,984</u>	<u>\$ 1,180,189</u>	<u>\$ 481,205</u>

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

**CLAY COUNTY CLERK OF COURT AND COMPTROLLER
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, the Fine and Forfeiture Fund, and the Records Modernization Trust Fund. All annual appropriations lapse at fiscal year-end.

The Clerk 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 on the General Fund budget.
- 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

**CLAY COUNTY CLERK OF COURT AND COMPTROLLER
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	BCC Technology Fund	CGD Supplementary Fund	Teen Court	Clay County Archives	Total Nonmajor Governmental Funds
Assets					
Cash and cash equivalents	\$ 67,273	\$ 6,305	\$ 35,147	\$ 12,873	\$ 121,598
Investments	-	1,244	-	-	1,244
Prepaid expenditures	5,873	-	-	-	5,873
Inventory	-	-	-	110	110
Total assets	<u>\$ 73,146</u>	<u>\$ 7,549</u>	<u>\$ 35,147</u>	<u>\$ 12,983</u>	<u>\$ 128,825</u>
Liabilities and fund balances					
Liabilities					
Accounts payable and accrued liabilities	\$ 2,185	\$ -	\$ 140	\$ -	\$ 2,325
Due to other county agencies	70,961	-	-	-	70,961
Total liabilities	<u>73,146</u>	<u>-</u>	<u>140</u>	<u>-</u>	<u>73,286</u>
Fund Balances					
Nonspendable for prepaids and inventory	5,873	-	-	110	5,983
Restricted for court costs	-	7,549	35,007	12,873	55,429
Unassigned	(5,873)	-	-	-	(5,873)
Total fund balances	<u>-</u>	<u>7,549</u>	<u>35,007</u>	<u>12,983</u>	<u>55,539</u>
Total Liabilities and Fund Balances	<u>\$ 73,146</u>	<u>\$ 7,549</u>	<u>\$ 35,147</u>	<u>\$ 12,983</u>	<u>\$ 128,825</u>

See accompanying notes to financial statements.

**CLAY COUNTY CLERK OF COURT AND COMPTROLLER
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	BCC Technology Fund	CGD Supplementary Fund	Teen Court	Clay County Archives	Total Nonmajor Governmental Funds
Revenues					
Charges for services	\$ -	\$ 180	\$ -	\$ -	\$ 180
Investment income (loss)	-	(50)	-	-	(50)
Miscellaneous revenue	-	-	8,210	3,544	11,754
Total revenues	-	130	8,210	3,544	11,884
Expenditures					
Current:					
General government	-	-	-	1,756	1,756
Court related	178,163	-	6,587	-	184,750
Capital outlay	86,924	-	-	-	86,924
Total expenditures	265,087	-	6,587	1,756	273,430
Excess (deficiency) of revenues over expenditures	(265,087)	130	1,623	1,788	(261,546)
Other financing sources (uses)					
Appropriations from Board of County Commissioners	335,092	-	-	-	335,092
Reversion to Board of County Commissioners	(70,961)	-	-	-	(70,961)
Total other financing sources (uses)	264,131	-	-	-	264,131
Net change in fund balances	(956)	130	1,623	1,788	2,585
Fund balances, beginning of year	956	7,419	33,384	11,195	52,954
Fund balances, end of year	\$ -	\$ 7,549	\$ 35,007	\$ 12,983	\$ 55,539

See accompanying notes to financial statements.

**CLAY COUNTY CLERK OF COURT AND COMPTROLLER
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	General Trust Fund	Central Government Depository (CGD) Fund	Registry of Court Fund	Jury Witness Fund	Total Custodial Funds
Assets					
Cash and cash equivalents	\$ 7,098,157	\$ 2,140	\$ 3,263,740	\$ 4,043	\$ 10,368,080
Receivables	451	1,425	-	-	1,876
Due from other governments	2,442	-	-	-	2,442
Total Assets	<u>\$ 7,101,050</u>	<u>\$ 3,565</u>	<u>\$ 3,263,740</u>	<u>\$ 4,043</u>	<u>\$ 10,372,398</u>
Liabilities					
Due to individuals	\$ 226,896	\$ 1,446	\$ -	\$ -	\$ 228,342
Due to other governments	320,646	2,119	-	-	322,765
Due to other County agencies	159,983	-	-	-	159,983
Total Liabilities	<u>\$ 707,525</u>	<u>\$ 3,565</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 711,090</u>
Net Position					
Restricted for:					
Individuals and other governments	\$ 6,393,525	\$ -	\$ 3,263,740	\$ 4,043	\$ 9,661,308
Total Liabilities and Net Position	<u>\$ 7,101,050</u>	<u>\$ 3,565</u>	<u>\$ 3,263,740</u>	<u>\$ 4,043</u>	<u>\$ 10,372,398</u>

See accompanying notes to financial statements.

**CLAY COUNTY CLERK OF COURT AND COMPTROLLER
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	General Trust Fund	Central Government Depository (CGD) Fund	Registry of Court Fund	Jury and Witness Fund	Total Custodial Funds
Additions					
Fines and fees collected	\$ 11,660,622	\$ 74,529	\$ -	\$ -	\$ 11,735,151
Court related deposits	58,133,237	890,391	18,280,735	40,749	77,345,112
Total additions	<u>69,793,859</u>	<u>964,920</u>	<u>18,280,735</u>	<u>40,749</u>	<u>89,080,263</u>
Deductions					
Fines and fees disbursed	11,767,643	71,419	-	-	11,839,062
Court related deposits disbursed	55,126,743	893,501	17,336,185	39,089	73,395,518
Total deductions	<u>66,894,386</u>	<u>964,920</u>	<u>17,336,185</u>	<u>39,089</u>	<u>85,234,580</u>
Net change in fiduciary net position	<u>2,899,473</u>	<u>-</u>	<u>944,550</u>	<u>1,660</u>	<u>3,845,683</u>
Net position, beginning of year	3,494,052	-	2,319,190	2,383	5,815,625
Net position, end of year	<u><u>\$ 6,393,525</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,263,740</u></u>	<u><u>\$ 4,043</u></u>	<u><u>\$ 9,661,308</u></u>

See accompanying notes to financial statements.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



**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 Tara S. Green, Clerk of the Circuit Court,
Clay County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Clay County Clerk of Court and Comptroller (the Office) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Clay County Clerk of Court and Comptroller's special-purpose financial statements, and have issued our report thereon dated June 16, 2023, 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 Clay County Clerk of Court and Comptroller's internal control.

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

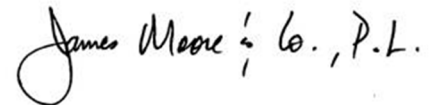
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clay County Clerk of Court and Comptroller'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" and a stylized "M".

Daytona Beach, Florida
June 16, 2023



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

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

We have audited the financial statements of the Clay County Clerk of Court and Comptroller (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 16, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 16, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Clay County Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Clay County, including the Office of the Clerk, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Clay County Clerk of Court and Comptroller 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 Clay County Clerk of Court and Comptroller, 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 16, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

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

We have examined the Clay County Clerk of Court and Comptroller's (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 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 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement or evaluation of Office's compliance. 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 16, 2023

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

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

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

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Tracy S. Drake, Property Appraiser,
Clay County, Florida:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund of the Clay 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 Clay County Property Appraiser'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 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 the general fund, only for that portion of the general fund, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida as of September 30, 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.

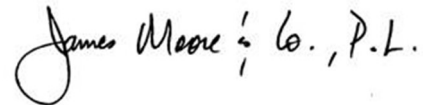
Required Supplementary Information

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2023, 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 9, 2023

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'.

**CLAY COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2022**

	General Fund
ASSETS	
Cash and equivalents	\$ 206,817
Accounts receivable	379
Total Assets	\$ 207,196
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable and accrued expenditures	\$ 57,534
Due to other governments	2,126
Due to Board of County Commissioners	147,536
Total Liabilities	207,196
 Fund Balance	
Unassigned	-
Total Liabilities and Fund Balance	\$ 207,196

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

**CLAY COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	General Fund
Revenues	
Charges for services	\$ 42,003
Miscellaneous revenue	905
Total revenues	42,908
Expenditures	
Current:	
General government:	2,944,484
Capital outlay	7,948
Total expenditures	2,952,432
Excess (deficiency) of revenues over expenditures	(2,909,524)
Other financing sources (uses)	
Appropriations from board of county commissioners	3,057,060
Reversion to board of county commissioners	(147,536)
Total other financing sources (uses)	2,909,524
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

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

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

(1) Summary of Significant Accounting Policies:

The accounting policies of the Clay 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 Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Clay County, Florida (the County), which is the primary government for financial reporting purposes.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared solely 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.

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.

**CLAY 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 Clay County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by 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.

(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.

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

(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 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

**CLAY 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>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for services	\$ -	\$ -	\$ 42,003	\$ 42,003
Miscellaneous revenue	-	-	905	905
Total revenues	<u>-</u>	<u>-</u>	<u>42,908</u>	<u>42,908</u>
Expenditures				
Current:				
General government	3,098,668	3,093,096	2,944,484	148,612
Capital outlay	-	8,000	7,948	52
Total expenditures	<u>3,098,668</u>	<u>3,101,096</u>	<u>2,952,432</u>	<u>148,664</u>
Excess (deficiency) of revenues over expenditures	<u>(3,098,668)</u>	<u>(3,101,096)</u>	<u>(2,909,524)</u>	<u>191,572</u>
Other financing sources (uses)				
Appropriations from board of county commissioners	3,098,668	3,101,096	3,057,060	(44,036)
Reversion to board of county commissioners	-	-	(147,536)	(147,536)
Total other financing sources (uses)	<u>3,098,668</u>	<u>3,101,096</u>	<u>2,909,524</u>	<u>(191,572)</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**CLAY COUNTY PROPERTY APPRAISER
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 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 ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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 Tracy S. Drake, Property Appraiser,
Clay County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Clay 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 9, 2023, 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.

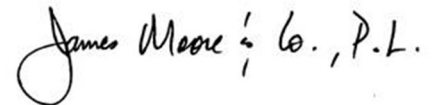
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses 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 9, 2023



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

The Honorable Tracy S. Drake, Property Appraiser,
Clay County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Clay County Property Appraiser (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

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

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Clay 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. There are no component units of the Clay County Property Appraiser to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

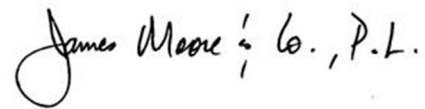
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

Daytona Beach, Florida
June 9, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Tracy S. Drake, Property Appraiser,
Clay County, Florida:

We have examined the Clay 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 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 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement or evaluation of Office's compliance. 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 9, 2023

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

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

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

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Michelle Cook, Sheriff,
Clay County, Florida:

Report on the Financial Statements

Opinions

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Clay 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 Clay County Sheriff'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 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 aggregate remaining fund information only for that portion of the major funds and aggregate remaining fund information, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida as of September 30, 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' Responsibility 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

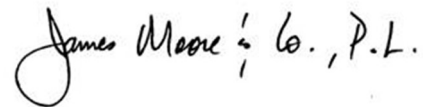
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 9, 2023, 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 9, 2023

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

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 8,222,886	\$ 2,020,581	\$ 10,243,467
Accounts receivable	381,355	92,272	473,627
Due from other governments	-	32,739	32,739
Due from other funds	-	205	205
Due from Board of County Commissioners	18,636	-	18,636
Inventory	739,288	-	739,288
Total assets	<u>\$ 9,362,165</u>	<u>\$ 2,145,797</u>	<u>\$ 11,507,962</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ 2,646,668	\$ 67,711	\$ 2,714,379
Due to Board of County Commissioners	5,922,511	1,256,321	7,178,832
Due to other governments	53,698	-	53,698
Total Liabilities	<u>8,622,877</u>	<u>1,324,032</u>	<u>9,946,909</u>
Fund Balances			
Nonspendable - inventory	739,288	-	739,288
Restricted for:			
Benefit of inmates	-	821,765	821,765
Total Fund Balances	<u>739,288</u>	<u>821,765</u>	<u>1,561,053</u>
Total Liabilities and Fund Balances	<u>\$ 9,362,165</u>	<u>\$ 2,145,797</u>	<u>\$ 11,507,962</u>

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

CLAY COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Intergovernmental	\$ 274,791	\$ 138,353	\$ 413,144
Charges for services	-	584,791	584,791
Miscellaneous revenue	97,000	53,778	150,778
Total revenues	<u>371,791</u>	<u>776,922</u>	<u>1,148,713</u>
Expenditures			
Current:			
Public safety	51,245,621	1,030,673	52,276,294
Court-related	1,789,591	-	1,789,591
Capital outlay	4,410,693	1,595,651	6,006,344
Total expenditures	<u>57,445,905</u>	<u>2,626,324</u>	<u>60,072,229</u>
Excess (deficiency) of revenues over expenditures	<u>(57,074,114)</u>	<u>(1,849,402)</u>	<u>(58,923,516)</u>
Other financing sources (uses)			
Appropriations from board of county commissioners	61,905,393	3,046,678	64,952,071
Reversion to board of county commissioners	(4,757,452)	(1,198,033)	(5,955,485)
Total other financing sources (uses)	<u>57,147,941</u>	<u>1,848,645</u>	<u>58,996,586</u>
Net change in fund balance	<u>73,827</u>	<u>(757)</u>	<u>73,070</u>
Fund balances, beginning of year	665,461	822,522	1,487,983
Fund balances, end of year	<u>\$ 739,288</u>	<u>\$ 821,765</u>	<u>\$ 1,561,053</u>

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

**CLAY COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 83,982
Amounts due from others	23,003
Total Assets	\$ 106,985
Liabilities	
Accounts payable and accrued expenses	\$ 26,711
Due to other funds	205
Due to Board of County Commissioners	65,095
Total liabilities	92,011
Net Position	
Restricted for:	
Inmates	14,974
Total Liabilities and Net Position	\$ 106,985

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

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

	Custodial Funds
Additions	
Fines and fees collected for other governments	\$ 1,163,520
Levies and fees collected for individuals	69,216
Commissary collected for inmates	518,213
Total additions	1,750,949
Deductions	
Fines and fees disbursed for other governments	647,254
Levies and fees disbursed for individuals	69,216
Commissary disbursed for inmates	543,429
Transfers out to board of county commissioners	516,266
Total deductions	1,776,165
Net change in fiduciary net position	(25,216)
Net position, beginning of year	40,190
Net position, end of year	\$ 14,974

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

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

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

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

(a) **Reporting entity**—The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Clay County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(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:

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 Sheriff reports the following fund types:

Special Revenue Funds – Various nonmajor special revenue funds are used to account for funds generated by phone commissions to be used for the welfare of inmates, as well as forfeiture funds, grant funds, and other restricted funds from third party sources as passed through by the Board of County Commissioners.

Custodial Funds – Custodial Funds are fiduciary funds used to account for assets held by the Office in a trustee capacity, or as an agent for individuals, private organizations, and other governments.

(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.

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

(g) **Inventory**—The Office holds inventory for auto parts, radio parts, and armory weapons and ammunition. Auto parts and supplies inventory is valued at average cost and other inventory is valued at cost (first-in, first-out). Inventory is accounted for using the consumption method.

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

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.

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.

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

(j) **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 maintained compensated absence records for the hours earned, used and available.

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

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

(k) **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.

(l) **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.

(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) **Interfund Balances**

The Office has interfund balances that arise from the normal course of the Office’s operations. As of September 30, 2022, the Inmate custodial fund records a liability for amounts due to the Inmate welfare fund for \$205.

(4) **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).

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

(5) 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.

(6) 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.

(7) 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

CLAY 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 - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ 274,791	\$ 274,791	\$ -
Miscellaneous revenue	-	96,893	97,000	107
Total revenues	<u>-</u>	<u>371,684</u>	<u>371,791</u>	<u>107</u>
Expenditures				
Current:				
Public Safety:				
Personnel services	45,772,416	43,903,608	41,488,241	2,415,367
Operating expenditures	10,971,542	10,777,644	9,757,380	1,020,264
Court-related:				
Personnel services	1,528,587	1,528,587	1,457,248	71,339
Operating expenditures	354,138	349,388	332,343	17,045
Capital outlay	1,274,049	5,717,850	4,410,693	1,307,157
Total expenditures	<u>59,900,732</u>	<u>62,277,077</u>	<u>57,445,905</u>	<u>4,831,172</u>
Excess (deficiency) of revenues over expenditures	<u>(59,900,732)</u>	<u>(61,905,393)</u>	<u>(57,074,114)</u>	<u>4,831,279</u>
Other financing sources (uses)				
Appropriations from board of county commissioners	59,900,732	61,905,393	61,905,393	-
Reversion to board of county commissioners	-	-	(4,757,452)	(4,757,452)
Total other financing sources (uses)	<u>59,900,732</u>	<u>61,905,393</u>	<u>57,147,941</u>	<u>(4,757,452)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>73,827</u>	<u>73,827</u>
Fund balances, beginning of year	665,461	665,461	665,461	-
Fund balances, end of year	<u>\$ 665,461</u>	<u>\$ 665,461</u>	<u>\$ 739,288</u>	<u>\$ 73,827</u>

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

**CLAY COUNTY SHERIFF
NOTE TO SCHEDULES 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. A formal budget is not adopted for the federal forfeiture, inmate welfare, or donations funds, and therefore budgetary comparison schedules are not presented for these funds.

The Sheriff 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

**CLAY COUNTY SHERIFF
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	<u>Grant Fund</u>	<u>Federal Forfeiture -Law Enforcement Trust Fund</u>	<u>2nd Dollar Sheriff Education Fund</u>	<u>Drug Investigative Fund</u>	<u>Crime Prevention Program Fund</u>	<u>Capital Improvement Fund</u>	<u>Inmate Welfare Fund</u>	<u>Total</u>
ASSETS								
Cash and cash equivalents	\$ (15,680)	\$ 189,470	\$ -	\$ -	\$ 12,240	\$ 990,527	\$ 844,024	\$ 2,020,581
Accounts receivable	12,029	-	-	-	-	-	80,243	92,272
Due from other governments	32,739	-	-	-	-	-	-	32,739
Due from other funds	-	-	-	-	-	-	205	205
Total assets	<u>\$ 29,088</u>	<u>\$ 189,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,240</u>	<u>\$ 990,527</u>	<u>\$ 924,472</u>	<u>\$ 2,145,797</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued liabilities	\$ -	\$ 31	\$ -	\$ -	\$ 2	\$ 159	\$ 67,519	\$ 67,711
Due to Board of County Commissioners	29,088	189,439	-	-	12,238	990,368	35,188	1,256,321
Total Liabilities	<u>29,088</u>	<u>189,470</u>	<u>-</u>	<u>-</u>	<u>12,240</u>	<u>990,527</u>	<u>102,707</u>	<u>1,324,032</u>
Fund Balances								
Benefit of inmates	-	-	-	-	-	-	821,765	821,765
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>821,765</u>	<u>821,765</u>
Total Liabilities and Fund Balances	<u>\$ 29,088</u>	<u>\$ 189,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,240</u>	<u>\$ 990,527</u>	<u>\$ 924,472</u>	<u>\$ 2,145,797</u>

See accompanying notes to financial statements.

CLAY COUNTY SHERIFF
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Grant Fund	Federal Forfeiture -Law Enforcement Trust Fund	2nd Dollar Sheriff Education Fund	Drug Investigative Fund	Crime Prevention Program Fund	Capital Improvement Fund	Inmate Welfare Fund	Total
Revenues								
Intergovernmental	\$ 138,353	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,353
Charges for services	-	-	-	-	-	-	584,791	584,791
Miscellaneous revenue	45,458	-	-	-	-	-	8,320	53,778
Total revenues	<u>183,811</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>593,111</u>	<u>776,922</u>
Expenditures								
Current:								
Public safety	410,029	15,210	30,000	-	66,458	2,866	506,110	1,030,673
Capital outlay	34,714	-	-	-	-	1,473,179	87,758	1,595,651
Total expenditures	<u>444,743</u>	<u>15,210</u>	<u>30,000</u>	<u>-</u>	<u>66,458</u>	<u>1,476,045</u>	<u>593,868</u>	<u>2,626,324</u>
Excess (deficiency) of revenues over expenditures	<u>(260,932)</u>	<u>(15,210)</u>	<u>(30,000)</u>	<u>-</u>	<u>(66,458)</u>	<u>(1,476,045)</u>	<u>(757)</u>	<u>(1,849,402)</u>
Other financing sources (uses)								
Appropriations from board of county commissioners	266,920	204,649	30,000	-	78,696	2,466,413	-	3,046,678
Reversion to board of county commissioners	(5,988)	(189,439)	-	-	(12,238)	(990,368)	-	(1,198,033)
Total other financing sources (uses)	<u>260,932</u>	<u>15,210</u>	<u>30,000</u>	<u>-</u>	<u>66,458</u>	<u>1,476,045</u>	<u>-</u>	<u>1,848,645</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(757)</u>	<u>(757)</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>822,522</u>	<u>822,522</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 821,765</u>	<u>\$ 821,765</u>

See accompanying notes to financial statements

**CLAY COUNTY SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	<u>Despositors Fund</u>	<u>Inmate Fund</u>	<u>Total Custodial Funds</u>
Assets			
Cash and cash equivalents	\$ 50,352	\$ 33,630	\$ 83,982
Amounts due from others	22,600	403	23,003
Total Assets	<u>\$ 72,952</u>	<u>\$ 34,033</u>	<u>\$ 106,985</u>
Liabilities			
Accounts payable and accrued expenses	\$ 26,711	\$ -	\$ 26,711
Due to other funds	-	205	205
Due to Board of County Commissioners	46,241	18,854	65,095
Total liabilities	<u>72,952</u>	<u>19,059</u>	<u>92,011</u>
Net Position			
Restricted for:			
Inmates	-	14,974	14,974
Total Liabilities and Net Position	<u>\$ 72,952</u>	<u>\$ 34,033</u>	<u>\$ 106,985</u>

See accompanying notes to financial statements.

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

	Despositors Fund	Inmate Fund	Total Custodial Funds
Additions			
Fines and fees collected for other governments	\$ 1,163,520	\$ -	\$ 1,163,520
Levies and fees collected for individuals	69,216	-	69,216
Commissary collected for inmates	-	518,213	518,213
Total additions	<u>1,232,736</u>	<u>518,213</u>	<u>1,750,949</u>
Deductions			
Fines and fees disbursed for other governments	647,254	-	647,254
Levies and fees disbursed for individuals	69,216	-	69,216
Commissary disbursed for inmates	-	543,429	543,429
Transfers out to board of county commissioners	516,266	-	516,266
Total deductions	<u>1,232,736</u>	<u>543,429</u>	<u>1,776,165</u>
Net change in fiduciary net position	<u>-</u>	<u>(25,216)</u>	<u>(25,216)</u>
Net position, beginning of year	-	40,190	40,190
Net position, end of year	<u>\$ -</u>	<u>\$ 14,974</u>	<u>\$ 14,974</u>

See accompanying notes to financial statements.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL

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 Michelle Cook, Sheriff,
Clay County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Clay 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 Clay County Sheriff's special-purpose financial statements, and have issued our report thereon dated June 9, 2023, 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.

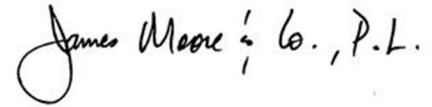
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clay County Sheriff'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 9, 2023



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

The Honorable Michelle Cook, Sheriff,
Clay County, Florida:

We have audited the financial statements of the Clay County Sheriff (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

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

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Clay 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. Clay County, including the Office of the Sheriff, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Clay 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 had the following recommendations.

2022-001 – Budgetary Accounting and Funding

During the course of the audit, we noted the Office’s historical practice has been to accrue certain major expenditures related to the subsequent fiscal year in order to ensure adequate funding to make lump sum payments early in the subsequent fiscal year, which could result in a material misstatement of the financial statements. To help ensure accurate financial reporting without causing cash flow timing issues, we recommend the Office record all expenditures in the applicable fiscal year in which the Office incurs the liability, and work with the Board and Clerk’s office to ensure any cash flow needs for significant lump sum outlays are considered, and adjusted for when necessary, in the Office’s appropriation funding schedule.

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.

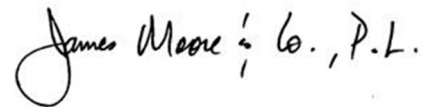
Management’s Response to Recommendation

The Office’s responses to the recommendation identified in our audit is described in the Management’s Response, as listed in the table of contents. 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 Letter

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

Daytona Beach, Florida
June 9, 2023

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



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Michelle Cook, Sheriff,
Clay County, Florida:

We have examined the Clay 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. The Office'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 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. 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, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

Daytona Beach, Florida
June 9, 2023

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

Management's Response to Finding

2022-001 – Budgetary Accounting and Funding

During the course of the audit, we noted the Office's historical practice has been to accrue certain major expenditures related to the subsequent fiscal year in order to ensure adequate funding to make lump sum payments early in the subsequent fiscal year, which could result in a material misstatement of the financial statements. To help ensure accurate financial reporting without causing cash flow timing issues, we recommend the Office record all expenditures in the applicable fiscal year in which the Office incurs the liability, and work with the Board and Clerk's office to ensure any cash flow needs for significant lump sum outlays are considered, and adjusted for when necessary, in the Office's appropriation funding schedule.

RESPONSE to 2022-001: Budgetary Accounting and Funding: We agree that the historical practices established by previous administrations have been in place for many years. While the previous auditors have been comfortable with this practice over time, we value and appreciate a fresh perspective by the new auditing firm and agree with the recommendation. CCSO will work with the Clerk's Office to ensure the agency has sufficient cash flow to pay for insurance policies, software licenses, etc., that are renewed at the beginning of the new fiscal year and to ensure continued operations without disruption. We greatly appreciate the collaborative relationship we have been able to build with the Clerk's Office and we are confident we can successfully achieve this new process.

CLAY COUNTY SUPERVISOR OF ELECTIONS
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2022

CLAY 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 H. Chambless, Supervisor of Elections,
Clay County, Florida:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the general fund of the Clay 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 changes 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 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 the general fund, only for that portion of the general fund, of Clay County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Clay County, Florida as of September 30, 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.

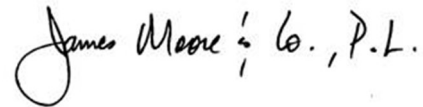
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2023, 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 9, 2023

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**CLAY COUNTY, FLORIDA SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2022**

	General Fund
ASSETS	
Cash and equivalents	\$ 203,804
Restricted cash	5
Accounts receivable	1,552
Total Assets	\$ 205,361
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable and accrued expenditures	\$ 22,822
Due to Board of County Commissioners	182,534
Total Liabilities	205,356
 Fund Balance	
Restricted - election grants	5
Total Liabilities and Fund Balance	\$ 205,361

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

**CLAY COUNTY, FLORIDA SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	General Fund
Revenues	
Intergovernmental revenue	\$ 42,749
Miscellaneous revenue	9,972
Total revenues	52,721
Expenditures	
Current:	
General government	1,857,821
Capital outlay	105,965
Total expenditures	1,963,786
Excess (deficiency) of revenues over expenditures	(1,911,065)
Other financing sources (uses)	
Appropriations from board of county commissioners	2,093,599
Reversion to board of county commissioners	(182,534)
Total other financing sources (uses)	1,911,065
Net change in fund balance	-
Fund balance, beginning of year	5
Fund balance, end of year	\$ 5

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

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

(1) Summary of Significant Accounting Policies:

The accounting policies of the Clay 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 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. The Office is an integral part of Clay County, Florida (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.

CLAY COUNTY SUPERVISOR OF ELECTIONS
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 Clay County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by 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 maintained 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 funds 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.

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

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

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

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

(5) 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

**CLAY COUNTY, FLORIDA 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>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ -	\$ -	\$ 42,749	\$ 42,749
Miscellaneous	-	-	9,972	9,972
Total revenues	<u>-</u>	<u>-</u>	<u>52,721</u>	<u>52,721</u>
Expenditures				
Current:				
General government	2,012,637	2,000,813	1,857,821	142,992
Capital outlay	25,500	92,786	105,965	(13,179)
Total expenditures	<u>2,038,137</u>	<u>2,093,599</u>	<u>1,963,786</u>	<u>129,813</u>
Excess (deficiency) of revenues over expenditures	<u>(2,038,137)</u>	<u>(2,093,599)</u>	<u>(1,911,065)</u>	<u>182,534</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	2,038,137	2,093,599	2,093,599	-
Reversion to Board of County Commissioners	-	-	(182,534)	(182,534)
Total other financing sources (uses)	<u>2,038,137</u>	<u>2,093,599</u>	<u>1,911,065</u>	<u>(182,534)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	5	5	5	-
Fund balance, end of year	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ -</u>

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

**CLAY 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 ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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 H. Chambless, Supervisor of Elections,
Clay County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Clay 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' special-purpose financial statements, and have issued our report thereon dated June 9, 2023.

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 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 Offices' internal control.

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

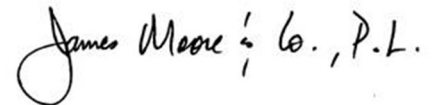
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Offices' 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 9, 2023



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

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

Report on the Financial Statements

We have audited the financial statements of the Clay 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 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

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

Prior Audit Findings

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

Official Title and Legal Authority

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

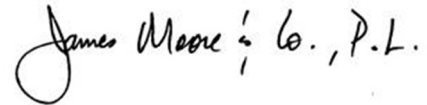
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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" and a stylized "M".

Daytona Beach, Florida
June 9, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

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

We have examined the Clay 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 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 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement or evaluation of Office's compliance. 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 9, 2023

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

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

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

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Diane Hutchings, Clay County Tax Collector,
Clay 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 Clay 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 Clay County Tax Collector'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 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 Clay County, Florida, that is attributable to the Clay County Tax Collector. They do not purport to, and do not, present fairly the financial position of Clay County, Florida 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

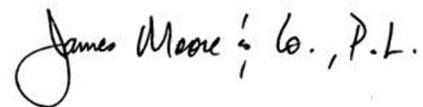
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 9, 2023, 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 9, 2023

**CLAY COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2022**

	General Fund
Assets	
Cash and equivalents	\$ 1,581,002
Total Assets	\$ 1,581,002
 Liabilities and Fund Balance	
Liabilities	
Due to other governments	\$ 13,178
Due to Board of County Commissioners	1,567,824
	1,581,002
 Fund balance	
Unassigned	-
 Total Liabilities and Fund Balance	 \$ 1,581,002

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

CLAY COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund
Revenues	
Charges for services	\$ 6,724,515
Miscellaneous revenue	77,201
Total revenues	6,801,716
Expenditures	
Current:	
General government	5,094,894
Capital outlay	138,998
Total expenditures	5,233,892
Excess (deficiency) of revenues over expenditures	1,567,824
Other financing sources (uses)	
Reversion to Board of County Commissioners	(1,567,824)
Total other financing sources (uses)	(1,567,824)
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

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

**CLAY COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 2,098,048
Receivables	5,019
Total Assets	\$ 2,103,067
Liabilities	
Accounts payable and accrued expenses	\$ 783
Assets held for others	2,092,663
Due to other County agencies	8,721
Total Liabilities	\$ 2,102,167
Net Position	
Restricted for individuals	\$ 900
Total Net Position	\$ 900

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

**CLAY COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Custodial Funds
Additions	
Taxes and fees collected for other governments	\$ 276,997,871
Commissions collected for the General Fund	6,086,155
Refunds collected for individuals	1,595,507
Taxes and fees collected for individuals	5,808,072
Total additions	290,487,605
 Deductions	
Payments to other governments	276,999,371
Payments to individuals	7,403,579
Payments to Board of County Commissioners	6,086,155
Total deductions	290,489,105
Net change in fiduciary net position	(1,500)
Net position , beginning of year	2,400
Net position , end of year	\$ 900

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

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

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

The accounting policies of the Clay 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. The Office is an integral part of Clay County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(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 Tax Collector reports the following fiduciary fund type:

Custodial Funds - 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.

CLAY COUNTY TAX COLLECTOR
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 Clay County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by 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 maintained 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.

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

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

(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.

(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.

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

(5) 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

CLAY 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>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget -
				Positive
				(Negative)
Revenues				
Charges for services	\$ 5,532,145	\$ 5,532,145	\$ 6,724,515	\$ 1,192,370
Miscellaneous revenue	-	-	77,201	77,201
Total Revenues	<u>5,532,145</u>	<u>5,532,145</u>	<u>6,801,716</u>	<u>1,269,571</u>
Expenditures				
Current:				
General government services:				
Personnel services	4,349,883	4,349,883	4,079,522	270,361
Operating expenditures	1,040,662	1,040,662	1,015,372	25,290
Capital outlay	141,600	141,600	138,998	2,602
Total expenditures	<u>5,532,145</u>	<u>5,532,145</u>	<u>5,233,892</u>	<u>298,253</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1,567,824</u>	<u>1,567,824</u>
Other financing sources (uses)				
Reversion to Board of County Commissioners	-	-	(1,567,824)	(1,567,824)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,567,824)</u>	<u>(1,567,824)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**CLAY 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

**CLAY COUNTY TAX COLLECTOR
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	<u>Tax Fund</u>	<u>Tag Fund</u>	<u>Sports FWCC Fund</u>	<u>Total Custodial Funds</u>
Assets				
Cash and cash equivalents	\$ 2,006,744	\$ 91,279	\$ 25	\$ 2,098,048
Receivables	-	5,019	-	5,019
Total Assets	<u>\$ 2,006,744</u>	<u>\$ 96,298</u>	<u>\$ 25</u>	<u>\$ 2,103,067</u>
Liabilities				
Accounts payable and accrued expenses	\$ 406	\$ 377	\$ -	\$ 783
Assets held for others	2,005,438	87,200	25	2,092,663
Due to other County agencies	-	8,721	-	8,721
Total liabilities	<u>\$ 2,005,844</u>	<u>\$ 96,298</u>	<u>\$ 25</u>	<u>\$ 2,102,167</u>
Net Position				
Restricted for individuals	\$ 900	\$ -	\$ -	\$ 900
Total Net Position	<u>\$ 900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 900</u>

See accompanying notes to financial statements.

CLAY COUNTY TAX COLLECTOR
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Tax Fund</u>	<u>Tag Fund</u>	<u>Sports FWCC Fund</u>	<u>Driver Licenses</u>	<u>Total Custodial Funds</u>
Additions					
Taxes and fees collected for other governments	\$ 251,970,807	\$ 22,596,401	\$ 52,063	\$ 2,378,600	\$ 276,997,871
Commissions collected for the General Fund	4,981,448	1,104,707	-	-	6,086,155
Refunds collected for individuals	1,469,262	126,245	-	-	1,595,507
Taxes and fees collected for individuals	5,808,072	-	-	-	5,808,072
Other miscellaneous additions	-	-	-	-	-
Total additions	<u>264,229,589</u>	<u>23,827,353</u>	<u>52,063</u>	<u>2,378,600</u>	<u>290,487,605</u>
Deductions					
Payments to other governments	251,972,307	22,596,401	52,063	2,378,600	276,999,371
Payments to individuals	7,277,334	126,245	-	-	7,403,579
Payments to Board of County Commissioners	4,981,448	1,104,707	-	-	6,086,155
Total deductions	<u>264,231,089</u>	<u>23,827,353</u>	<u>52,063</u>	<u>2,378,600</u>	<u>290,489,105</u>
Net change in fiduciary net position	(1,500)	-	-	-	(1,500)
Net position, beginning of year	2,400	-	-	-	2,400
Net position, end of year	<u>\$ 900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 900</u>

See accompanying notes to financial statements.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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 Diane Hutchings, Tax Collector,
Clay County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Clay 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 9, 2023, 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.

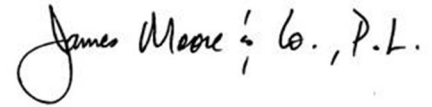
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses of 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 9, 2023



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

The Honorable Diane Hutchings, Tax Collector,
Clay County, Florida:

We have audited the financial statements of the Clay County Tax Collector (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 9, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

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

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Clay 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. Clay 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 Clay County Tax Collector to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

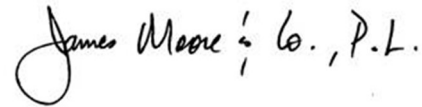
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

Daytona Beach, Florida
June 9, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Diane Hutchings, Tax Collector,
Clay County, Florida:

We have examined the Clay 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 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 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. 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, the Office compliance for the year ended September 30, 2022, was in accordance with the Statute in all material respects.

Daytona Beach, Florida
June 9, 2023

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