



**SANTA ROSA**  
COUNTY **FLORIDA**

**Annual**  
**COMPREHENSIVE**  
**Financial Report**  
FOR THE FISCAL YEAR  
ENDED SEPTEMBER 30,  
**2021**





**SANTA ROSA COUNTY, FLORIDA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
FOR THE YEAR ENDED  
SEPTEMBER 30, 2021**

**Donald C. Spencer  
Clerk of the Circuit Court, County Court and Comptroller**

**Prepared By:  
Clerk of the Circuit Court, County Court and Comptroller  
Finance Department**

**Robert J. Miller  
Finance Director**

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- Santa Rosa County Supervisor of Elections
- Santa Rosa County Tax Collector





# Introductory section





**DONALD C. SPENCER**  
CLERK OF THE CIRCUIT COURT & COMPTROLLER  
SANTA ROSA COUNTY, FLORIDA

Clerk of the County Court & Comptroller  
Recorder of Deeds  
Clerk and Accountant of the Board of County Commissioners  
Custodian of County Funds  
County Auditor

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Milton, Florida 32570  
P O BOX 472  
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April 26, 2022

To the Honorable Board of County Commissioners and the Citizens of Santa Rosa County:

State law requires that every general-purpose local government publish, within forty-five days after the completion of the audit report but no later than nine months after the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Warren Averett, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on Santa Rosa County's financial statements for the year ended September 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Government**

Santa Rosa County, established in 1842 by an act of the Florida Legislature, is located on the Northwest Florida Gulf Coast. The County currently occupies 1,012 square miles and serves an estimated population of 191,911. Santa Rosa County is empowered to levy a property tax on both real and personal property located within its boundaries.

Santa Rosa County is a Non-Charter County established under the Constitution and the Laws of the State of Florida. Santa Rosa County includes the Board of County Commissioners, the Clerk of the Courts, the Property Appraiser, the Sheriff, the Supervisor of Elections, and the Tax Collector.

The Board of County Commissioners serves as the legislative and policy setting body of Santa Rosa County as established under Section 125 of the Florida Statutes. As such, the Board enacts all legislation and authorizes programs and expenditures within the County. The Board appoints a professionally trained County Administrator who is responsible for policy and budget development and implementation.

The Board is composed of five members elected countywide. Each member must reside within the district for which seat he/she seeks election. Each year the Board organizes itself selecting a Chair and Vice-Chair from among its members to preside at Commission meetings.

The Clerk of Circuit Court performs a wide range of record keeping, information management and financial management functions in the judicial system and county government.

The Property Appraiser is primarily responsible for identifying, locating, and valuing all property within the county for ad valorem tax purposes. He is also responsible for administering exemptions, mapping all parcels, and classifying agricultural lands.

The Sheriff provides for the public safety of the citizens of Santa Rosa County through the enforcement of state criminal laws and county ordinances, preventing and reducing crime and violence through departmental and community-based programs.

The Supervisor of Elections administers the election of the elected officials within the county. She maintains the voter registration list, establishes polling places, and educates voters.

The Tax Collector collects and distributes taxes established by city, county, state, and other local governments.

Santa Rosa County provides a full range of services including police and fire protection; the construction and maintenance of streets and other infrastructure; water and sewer service on Navarre Beach; solid waste disposal and recycling; the Peter Prince Airport; Industrial Park facilities and recreational and cultural activities.

## **Local Economy**

Santa Rosa County has long been considered a “bedroom community” of the larger Pensacola metropolitan statistical area. Knowing that residential growth does not sustain a healthy tax base, the County has aggressively been promoting the area as a good place to bring new and expanding businesses. The County has an Industrial Park to provide attractive inducements to businesses willing to invest capital and hire employees at above average wages. A second industrial park, Whiting Aviation Park, near Whiting Field provides access to a 6,000-foot runway.

Santa Rosa County has experienced an estimated 23.5% growth in population over the past 9 years and the prospect for further growth is very good. The infrastructure to support that growth lags behind. To reduce that lag in infrastructure growth, the citizens of the County passed a local option sales tax in 2016. The County has repaved numerous roads and upgraded drainage systems throughout the County.

Tourism, a significant industry for the County, has surged over the last couple of years. Tourism had suffered considerable damage from the destruction caused by hurricanes and the BP Oil Spill. The leisure and hospitality industry accounts for approximately 15.9% of the County’s workforce.

## **Long-Term Financial Planning and Relevant Financial Policies**

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 45% of total general fund revenues. This amount is favorable and would cover approximately 6 months’ worth of expenditures and transfers out.

## **Major Initiatives**

For the year, staff, following specific directives from the Board of County Commissioners and the County Administrator, was involved in a variety of projects throughout the year. These projects reflect the County’s commitment to ensuring that its citizens can live and work in a desirable environment.

In the current year, approximately 28 miles of roads were paved or resurfaced, and numerous maintenance projects on drainage systems were performed.

Also during the current year, the County completed a \$4 million upgrade to Benny Russell Park, which included an all-inclusive playground, a splash pad, a fitness court, a multi-use sports field, walking trails, new parking facilities, and ADA-accessible pathways.

Finally, construction continued on the new judicial center, with approximately \$26 million being spent during fiscal year 2021, bringing the total spent to date over \$35 million for the new 115,000 square foot facility.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Santa Rosa County, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2020. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

An annual comprehensive financial report of this nature could not have been prepared on a timely basis without the dedicated efforts of the Finance Department who worked many hours on this project. I would like to thank them for their invaluable assistance in the preparation of this report.

I would also like to thank the Board of County Commissioners and their staff, and the other Constitutional Officers for their personal interest and dedicated support in planning and conducting the financial operations of the County in a responsible and progressive manner.

A handwritten signature in black ink, appearing to read "Donald C. Spencer". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Donald C. Spencer  
Clerk of the Courts and Comptroller



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Santa Rosa County  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO



**Board of County Commissioners**

Dave Piech  
*Chairman*  
Robert A. "Bob" Cole  
*Vice Chairman*

Sam Parker  
James Calkins  
Colten Wright

**Elected Constitutional Officers**

Donald C. Spencer  
*Clerk of the Courts and Comptroller*

Gregory S. Brown II  
*Property Appraiser*

Tappie Villane  
*Supervisor of Elections*

Bob Johnson  
*Sheriff*

Stan Colie Nichols  
*Tax Collector*

**County Management**

DeVann Cook  
*Interim County Administrator*

Gregory T. Stewart  
*Acting County Attorney*

Brad Baker  
*Interim Assistant County Administrator*

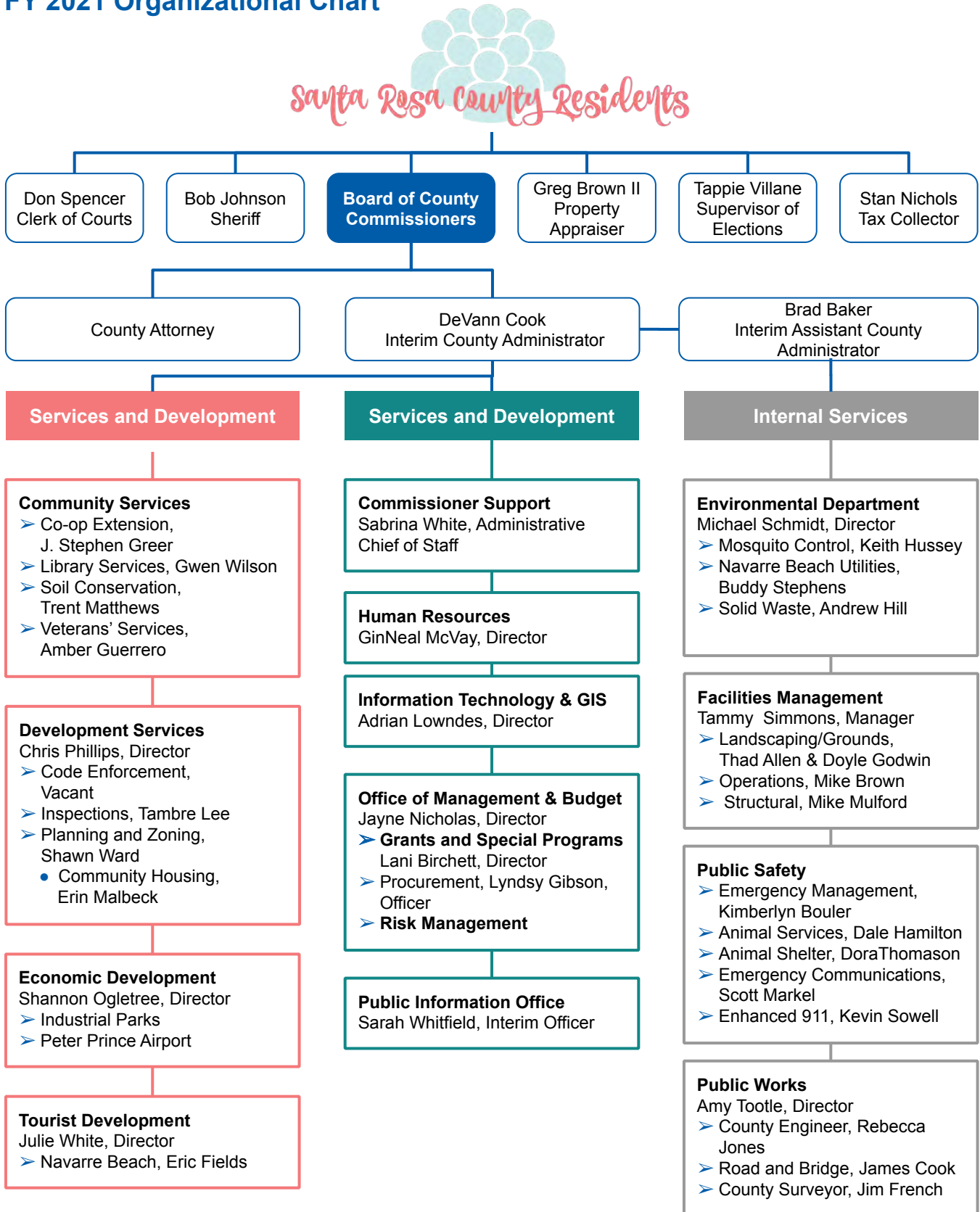
GinNeal McVay  
*Director of Human Resources*

Jayne Nicholas  
*Office of Management and Budget*

Amy Tootle  
*Director of Public Works*

Chris Phillips  
*Director of Development Services*

FY 2021 Organizational Chart







**Financial**  
section



## INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners  
Santa Rosa County, Florida

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Santa Rosa County, Florida, (the "County") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2021, 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.

## ***Change in Accounting Principle***

As discussed in Note 13 to the financial statements, in 2021 the County adopted new accounting guidance, GASBS. No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund, road and bridge fund, CARES act fund, disaster fund, American rescue plan fund, other capital projects fund, and the local option sales tax fund, the schedules of proportionate share of the net pension liability, the schedules of the County's contributions, the schedules of changes in total liability and related ratios for other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining individual fund statements and budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining individual fund statements and budgetary comparison schedules are the responsibility of management and were derived from and relate 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the

combining individual fund statements and budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2022 tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Warren Averett, LLC*

April 26, 2022  
Pensacola, Florida



**Management's  
Discussion and  
Analysis**



As management of Santa Rosa County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 8-10 of this report.

## Financial Highlights

- **The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$274,123,223 (net position).** Of this amount, \$11,767,738 represents unrestricted net position, which may normally be used to meet the government's ongoing obligations to citizens and creditors. In the current year, the balance in unrestricted net position increased primarily due to the changes in pension liability in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68 as discussed in Note K as well as changes in the estimated liability for landfill closure..
- The County's total net position increased by \$51,366,070; governmental activities increased by \$33,779,784 and business-type activities increased by \$17,586,286. The increase in total net position was primarily due to anticipated reimbursements from the Federal Emergency Management Agency of disaster-recovery expenditures related to Hurricane Sally in the governmental activities, and in business-type activities, the increase primarily related to an increase in landfill revenues due to increased rates combined with a large reduction to the landfill closure and maintenance liability.
- At the close of the current fiscal year, the County governmental funds reported combined fund balances of \$106,937,891, an increase of \$25,212,580 in comparison with the prior year. Approximately 37% of this amount (\$39,929,276) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the governmental funds were \$52,351,905, or approximately 52% of total general fund expenditures.
- The County's total outstanding long-term bonds and notes increased by \$42,536,372 during the current fiscal year due to issuance of new debt for capital projects combined with normal debt service principal reductions.

## Overview Of The Financial Statements

The County's basic financial statements consist of three components: 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to the financial statements*. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

### Government-wide financial statements

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

The *statement of net position* presents financial information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference 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 County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide 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, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. The business-type activities of the County include a water/sewer service, solid waste disposal, building inspections, and hangar rentals.

The government-wide financial statements can be found on pages 32-34 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. The County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and 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 thirty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, road and bridge fund, local option sales tax fund, disaster fund, American Rescue Plan fund, and other capital projects fund, which are considered to be major funds. Data from the other twenty-four governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The County adopts annual appropriated budgets for all but four of its governmental funds. Budgetary comparison schedules are provided as required supplementary information for the general fund, road and bridge fund, local option sales tax fund, disaster fund, American Rescue Plan fund, and other capital projects fund.

The basic governmental fund financial statements can be found on pages 35-40 of this report.

**Proprietary Funds**

The County maintains two different types of proprietary funds. 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 its water/sewer service, solid waste disposal, building inspections, and hangar rentals. Internal services funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the management of its retained risks and for its fleet of vehicles. Because both services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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 services which are considered to be a major fund of the County. The internal service fund is presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 41-43 of this report.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported 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 much like that used for proprietary funds.

The County maintains thirteen custodial funds which report resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The fiduciary fund financial statements can be found on page 45 of this report.

### Notes to the financial statements

The notes provide additional information that is necessary to acquire 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 48-72 of this report.

### Other information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the County's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found starting on page 74 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found starting on page 90 of this report.

### Government-Wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities plus deferred inflows by \$274.1 million as of September 30, 2021.

### Santa Rosa County's Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Current and other assets</b>	\$ 149,008	\$ 111,795	\$ 44,538	\$ 34,885	\$ 193,546	\$ 146,680
Capital assets	240,946	193,846	30,617	27,631	271,563	221,477
<b>Total assets</b>	<b>389,954</b>	<b>305,641</b>	<b>75,155</b>	<b>62,516</b>	<b>465,109</b>	<b>368,157</b>
<b>Deferred outflows of resources</b>	<b>22,400</b>	<b>34,897</b>	<b>934</b>	<b>1,405</b>	<b>23,334</b>	<b>36,302</b>
<b>Long-term liabilities outstanding</b>	102,439	130,078	17,632	25,365	120,071	155,443
Other liabilities	35,100	21,160	1,376	1,254	36,476	22,414
<b>Total liabilities</b>	<b>137,539</b>	<b>151,238</b>	<b>19,008</b>	<b>26,619</b>	<b>156,547</b>	<b>177,857</b>
<b>Deferred inflow of resources</b>	<b>55,403</b>	<b>2,561</b>	<b>2,370</b>	<b>176</b>	<b>57,773</b>	<b>2,737</b>
<b>Net position</b>						
Net investment in capital assets	188,258	185,355	30,061	26,541	218,319	211,896
Restricted	40,642	23,952	3,394	-	44,036	23,952
Unrestricted (deficit)	(9,488)	(22,567)	21,256	10,584	11,768	(11,983)
<b>Total net position</b>	<b>\$ 219,412</b>	<b>\$ 186,740</b>	<b>\$ 54,711</b>	<b>\$ 37,125</b>	<b>\$ 274,123</b>	<b>\$ 223,865</b>

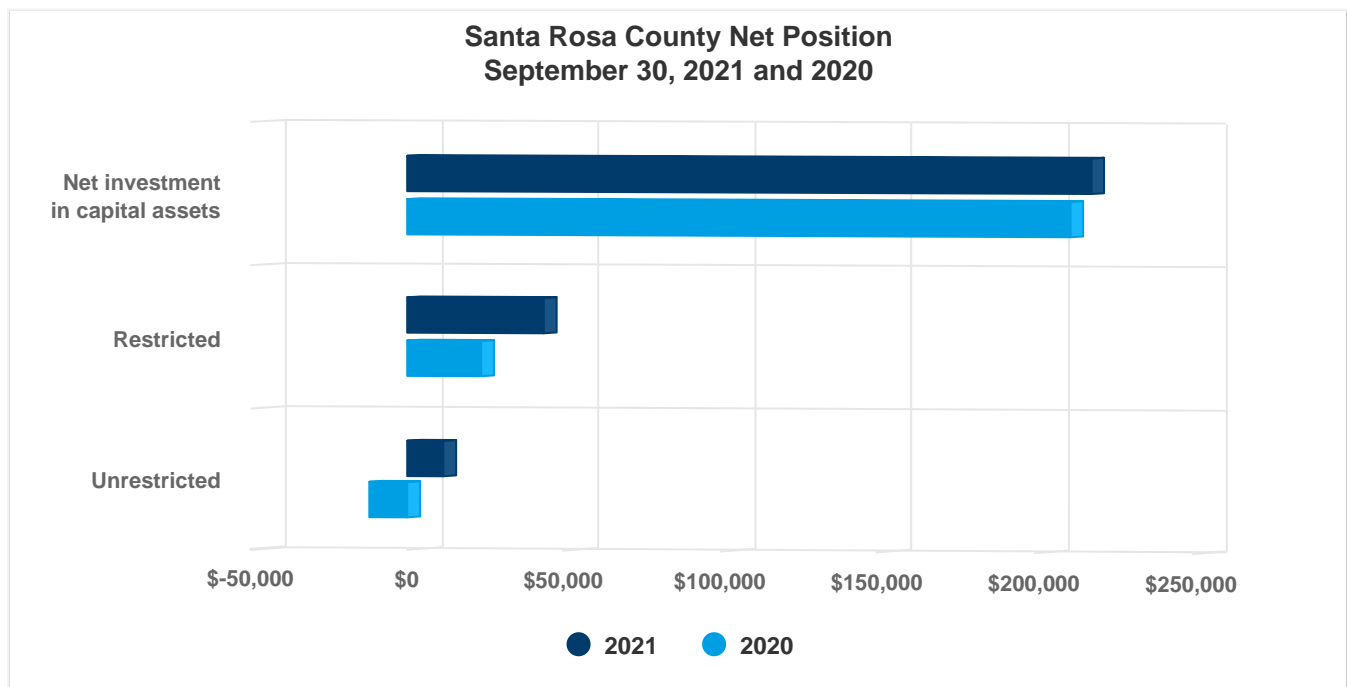
The largest portion of the County's net position (80%) reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its 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 (16%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$11,767,738 is unrestricted and may normally be used to meet the government’s ongoing obligations to its citizens and creditors. The County’s unrestricted net position increased in the current year due in large part to the GASB Statement No. 68 adjustment in the amount of (\$6,567,339) which requires the County to record an estimated liability and expense for potential future pension costs. The estimated liability and expense are based on the following assumptions:

- when an employee will retire;
- employee life expectancy;
- future pay increases for employees;
- what inflation will be in the future;
- what investment returns will be going forward;
- the best rate to discount those estimated future payments.

See page 67 of this report which shows significant variations in the liability due to the discount rate assumptions.

At the end of the current fiscal year, the County is able to report positive balances in all reported categories of net position except governmental activities unrestricted net position due to GASB 68.



However, the County’s overall net position increased \$51,366,070 from operations. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

**Governmental Activities**

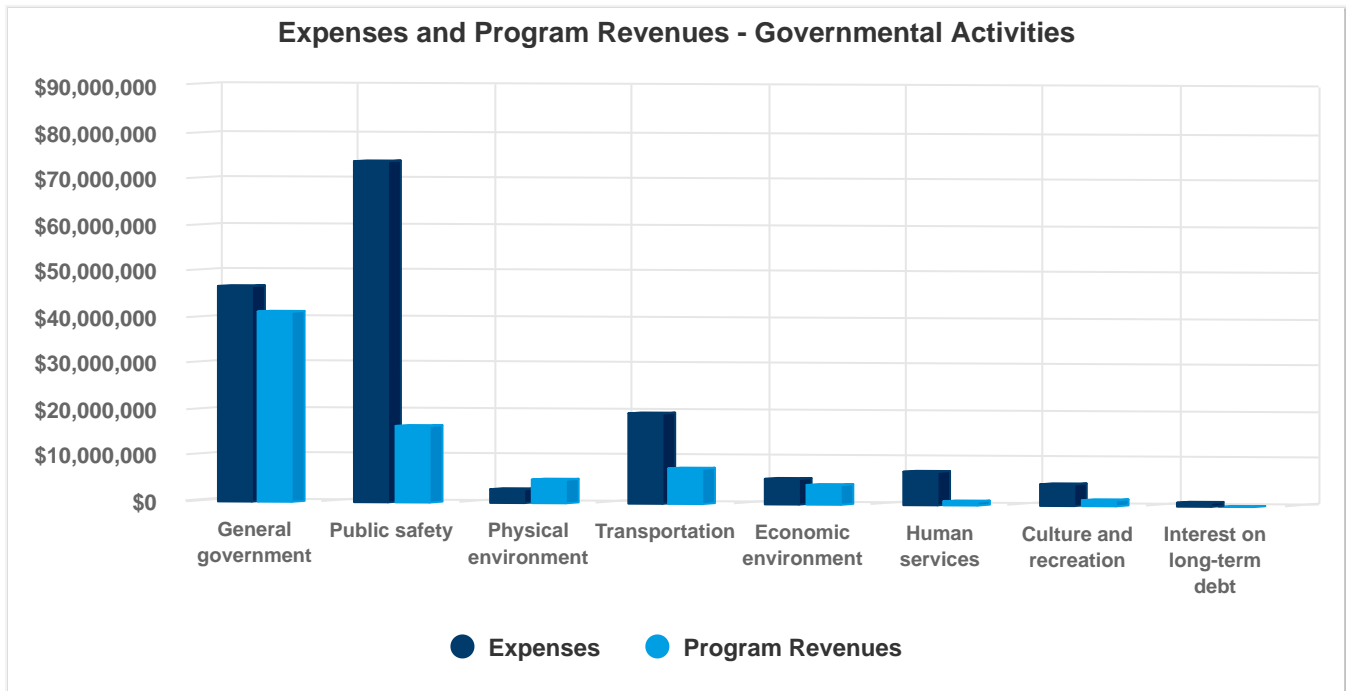
During the current fiscal year, net position for governmental activities increased \$33,779,784 from the prior fiscal year, leaving an ending net position of \$219,411,967. This increase primarily relates to anticipated reimbursements from FEMA of disaster recovery expenditures in the Disaster Fund related to Hurricane Sally. An increase in property tax revenue as a result of increased property values, an increase in sales tax revenues due to Federal stimulus-related spending, and an increase in tourist tax revenue due to easing of pandemic-related restrictions also contributed to the increase in net position of governmental activities. A decrease in expenses related to reduced estimated pension liability as discussed above, as well as unspent local option sales taxes due to budgeted infrastructure projects not being completed were also contributing factors.

## Santa Rosa County's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Revenues:</b>						
<b>Program revenues</b>						
Charges for services	\$ 34,741	\$ 32,382	\$ 25,096	\$ 19,576	\$ 59,837	\$ 51,958
Operating grants & contributions	29,195	30,483	-	-	29,195	30,483
Capital grants & contributions	12,147	14,338	802	813	12,949	15,151
<b>General revenues</b>						
Property tax	65,623	60,823	-	-	65,623	60,823
Sales, use and fuel tax	25,981	21,603	-	-	25,981	21,603
Communications services	1,143	1,168	-	-	1,143	1,168
Grants and contributions	20,969	17,066	-	-	20,969	17,066
Investment earnings	139	899	38	520	177	1,419
Other	4,017	3,050	85	93	4,102	3,143
<b>Total revenues</b>	<b>193,955</b>	<b>181,812</b>	<b>26,021</b>	<b>21,002</b>	<b>219,976</b>	<b>202,814</b>
<b>Expenses:</b>						
General government	46,740	47,659	-	-	46,740	47,659
Public safety	74,023	77,119	-	-	74,023	77,119
Physical environment	2,887	10,306	-	-	2,887	10,306
Transportation	19,402	14,886	-	-	19,402	14,886
Economic environment	5,405	3,951	-	-	5,405	3,951
Human services	7,016	5,996	-	-	7,016	5,996
Culture and recreation	4,717	7,344	-	-	4,717	7,344
Interest on long term debt	716	142	-	-	716	142
Water and sewer	-	-	2,070	2,541	2,070	2,541
Inspections	-	-	2,403	2,474	2,403	2,474
Airport	-	-	548	849	548	849
Landfill	-	-	2,683	7,636	2,683	7,636
<b>Total expenses</b>	<b>160,906</b>	<b>167,403</b>	<b>7,704</b>	<b>13,500</b>	<b>168,610</b>	<b>180,903</b>
Increase in net position before transfers	33,050	14,409	18,316	7,502	51,366	21,911
Transfers	730	(214)	(730)	214	-	-
Change in net position	33,780	14,195	17,586	7,716	51,366	21,911
<b>Net position, beg. of year, restated</b>	<b>185,632</b>	<b>172,544</b>	<b>37,125</b>	<b>29,409</b>	<b>222,757</b>	<b>201,953</b>
<b>Net position, end of year</b>	<b>\$ 219,412</b>	<b>\$ 186,739</b>	<b>\$ 54,711</b>	<b>\$ 37,125</b>	<b>\$ 274,123</b>	<b>\$ 223,864</b>

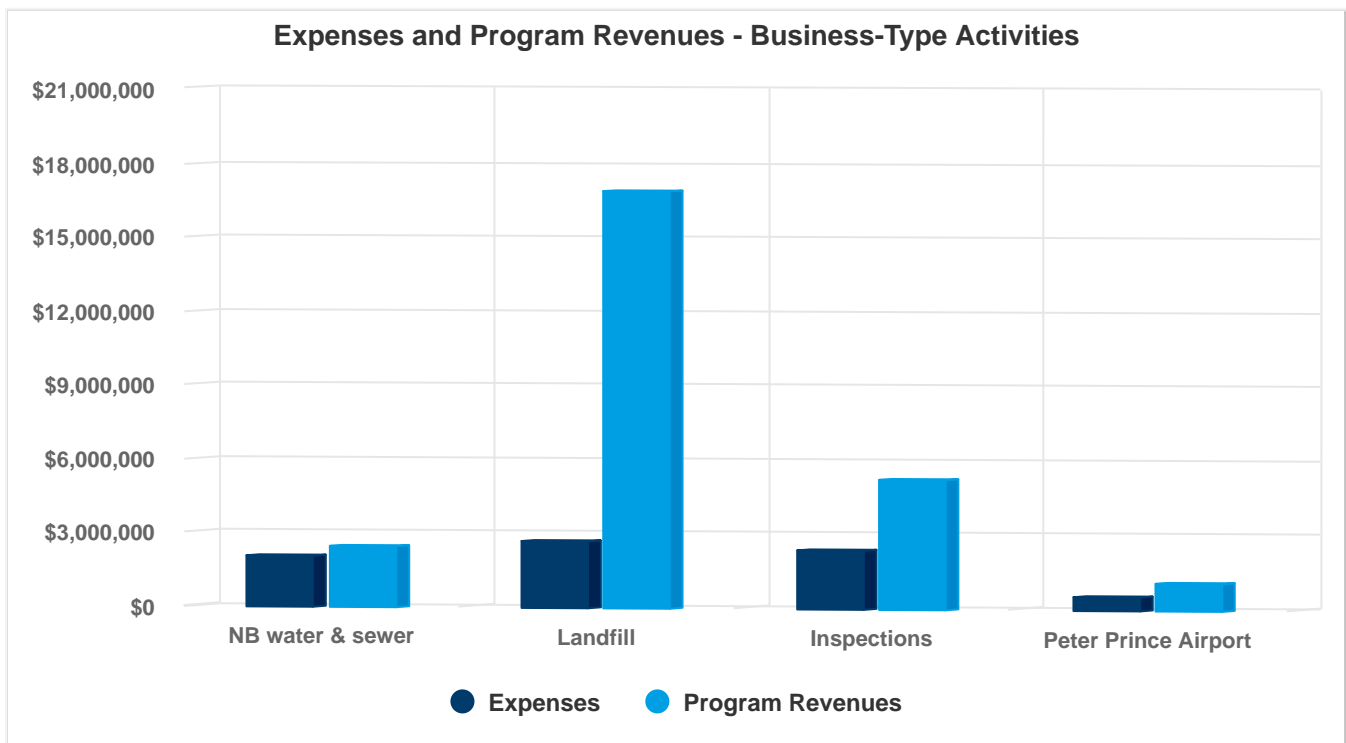


The following graph displays the Governmental Activities current program revenues and expenditures by function for fiscal year 2021.



### Business-type Activities

During the current fiscal year, net position for business-type activities increased \$17,586,286 from the prior fiscal year leaving an ending net position of \$54,711,256. The increase is attributable to increased landfill revenues due to increased rates accompanied by a significant reduction in expenses related to the landfill closure and long-term care liability.

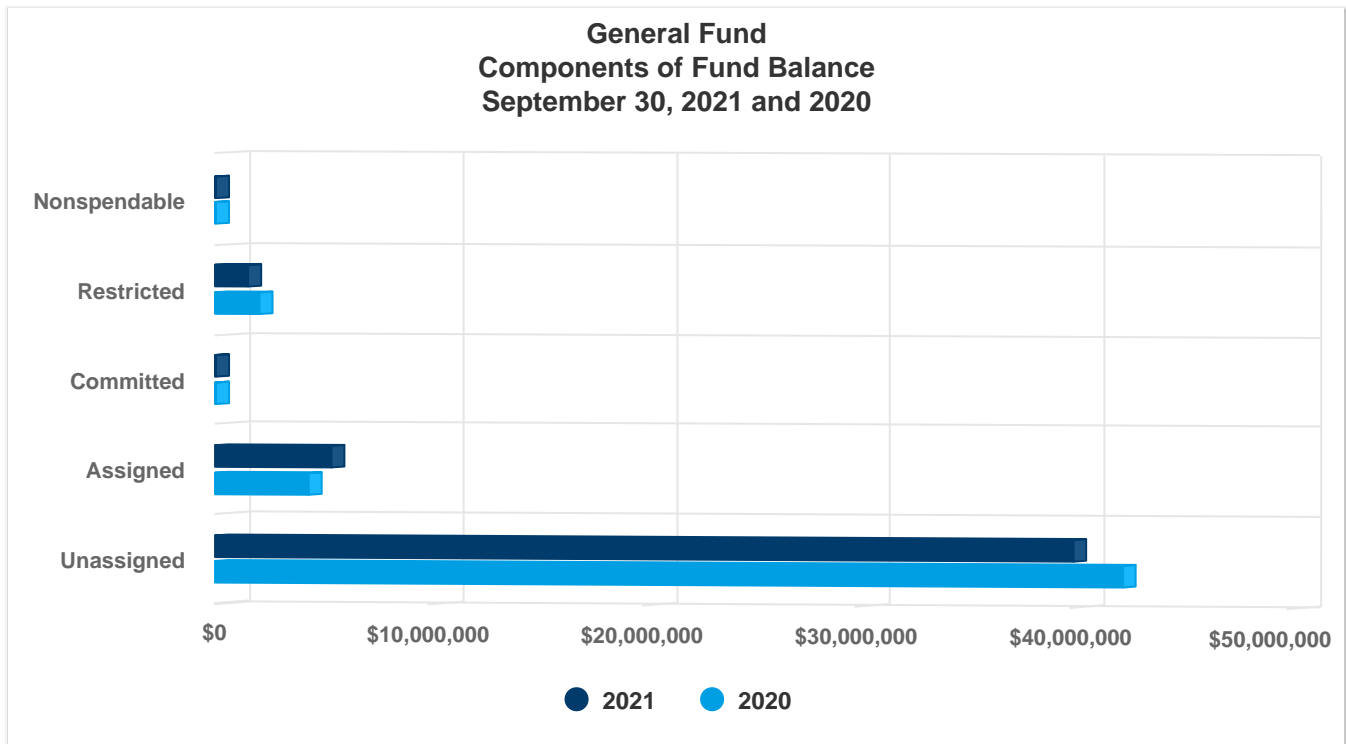


### Financial Analysis of Governmental Funds

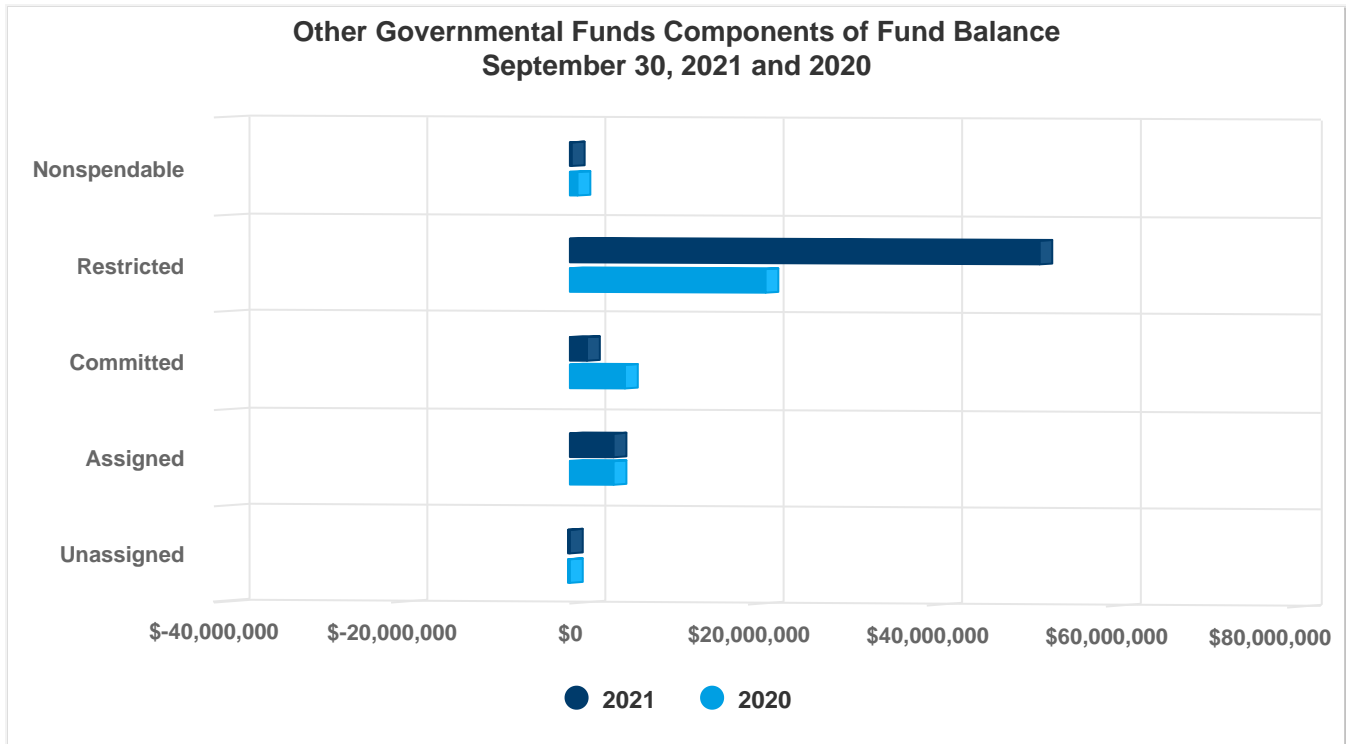
As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either external parties, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County.

As of September 30, 2021, the County’s governmental funds reported combined fund balances of \$106,937,891, an increase of \$25,212,580 in comparison with the prior year. Approximately 37% of this amount (\$39,929,276) constitutes unassigned fund balance, which is available for spending at the government’s discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$337,577), 2) restricted for particular purposes (\$54,248,409), 3) committed for particular purposes (\$2,000,395), or 4) assigned for particular purposes (\$10,422,234).



The General fund is the primary operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$40,117,694, while the total fund balance increased to \$47,397,296. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 40% of total general fund expenditures, while total fund balance represents approximately 50% of that same amount.



The fund balance of the County’s general fund decreased by -\$1,740,786 during the current fiscal year. This decrease primarily relates to budget transfers to the Disaster Fund to cover expenditures for disaster recovery related to Hurricane Sally until reimbursement from FEMA is received.

The road and bridge fund, a major fund, had a \$1,114,357 increase in fund balance during the current fiscal year which put the overall fund balance at \$4,746,913. The fund reports an assigned fund balance of \$4,170,555, and accounts for fuel and other taxes designated for road improvements. During the year, fund balance increased primarily due to decreased expenditures for road and stormwater projects.

The local option sales tax fund, another major governmental fund, had a \$6,285,774 increase in fund balance during the current fiscal year which put the overall fund balance at \$12,295,755. The primary reason for the increase in the fund was an increase in revenue from the prior year and not expending funds which were budgeted by year end. This was due to the timing of the projects, some of which included Pace Patriot/Tiburon Boulevard drainage, Tom King Bayou pedestrian bridge, Pea Ridge connector, and Benny Russell Park.

The disaster fund met the qualifications of a major fund for the first time during fiscal year 2021, experiencing an \$11,269,866 increase in fund balance, putting the overall fund balance at \$14,757,582. The primary reason for this increase was anticipated reimbursement from the Federal government of disaster recovery expenditures related to Hurricane Sally.

The American Rescue Plan fund was newly established in fiscal year 2021, reporting an increase in and final fund balance of \$1,829. The fund was established to account for appropriations from the Federal government under the American Rescue Plan Act and related expenditures. The increase in fund balance is due to investment earnings on the appropriated funds received in advance and held until they were spent.

The other capital projects fund, the remaining major governmental fund, reported an \$13,235,273 increase during the current fiscal year which put the overall fund balance at \$13,606,692. The primary reason for this increase was the remaining balance of new debt issues that remained unspent on their corresponding capital projects by the end of the fiscal year.

### Financial Analysis of Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Landfill fund was \$15,172,489. The total change in net position for the Landfill fund was \$13,295,724. As discussed in the business –type activities section, the increase in the landfill fund is attributable to increased revenues due to increased rates accompanied by a significant reduction in the landfill closure and maintenance liability.

### General Fund Budgetary Highlights

*Original budget compared to final budget.* During the year, the General Fund's original expenditure budget was increased by \$25,804,365. There was also a need to make amendments to reallocate appropriations among departments when it became clearer which departments would actually be charged for certain expenditures. The largest amendments from the original budget related to general government for jail renovation, public safety for Sheriff equipment purchases, human services for COVID vaccine distribution, and transfers out to cover unanticipated expenditures related to Hurricane Sally.

*Final budget compared to actual results.* The General Fund under spent the final budget by \$14,982,133 or 11.5%. The primary reasons actual expenditures were less than the final budget were 1) funds budgeted for jail renovation as well as funds allocated to the Town of Jay for Bray Hendricks Park weren't expended in the current year. and 2) funds set aside in reserves for contingencies remained unspent.

### Santa Rosa County's General Fund Budget to Actual

	Original Budget	Final Budget	Change in Budget	Actual	Actual Variance from Budget
General government	\$ 33,775,170	\$ 39,155,004	\$ 5,379,834	\$ 29,333,269	\$ (9,821,735)
Public safety	54,951,035	57,684,170	2,733,135	55,903,411	(1,780,759)
Physical environmen	2,849,700	3,736,725	887,025	2,604,009	(1,132,716)
Transportation	1,019,705	1,587,236	567,531	1,524,473	(62,763)
Economic environme	989,495	1,081,899	92,404	1,001,449	(80,450)
Human services	5,723,300	8,394,765	2,671,465	6,773,036	(1,621,729)
Culture and recreatio	4,054,130	4,283,859	229,729	3,801,878	(481,981)
Transfers out	1,075,205	14,318,447	13,243,242	14,318,447	-
<b>Total</b>	<b>\$ 104,437,740</b>	<b>\$ 130,242,105</b>	<b>\$ 25,804,365</b>	<b>\$ 115,259,972</b>	<b>\$ (14,982,133)</b>

### Capital Assets and Debt Administration

**Capital assets.** The County's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$271,563,119 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, and the water treatment facility. The total increase in capital assets for the current fiscal year was approximately 22.6%.

### Capital Assets at Year-end

(Net of Depreciation, in Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 24,439	\$ 23,560	\$ 1,306	\$ 1,306	\$ 25,745	\$ 24,866
Construction in progress	68,825	27,904	5,669	2,558	74,494	30,462
Buildings	11,078	11,416	2,671	1,407	13,749	12,823
Improvements other than building	111,278	104,353	19,218	20,655	130,496	125,008
Machinery, furniture and equip.	25,326	26,615	1,751	1,708	27,077	28,323
<b>Totals</b>	<b>\$ 240,946</b>	<b>\$ 193,848</b>	<b>\$ 30,615</b>	<b>\$ 27,634</b>	<b>\$ 271,561</b>	<b>\$ 221,482</b>

Major capital asset events during the current fiscal year included the following:

- Donation of infrastructure from developers in the amount of \$7,209,779
- New equipment for the Sheriff's office at a cost of \$2,424,643
- Whiting Field Aviation Improvements costs of \$6,168,031 during the year
- Pace Patriot/Tiburon Drive drainage project at a cost of \$1,429,151
- Costs associated with the new judicial facility totaled \$26,312,416 in the current year
- Benny Russell Park improvements totaled \$1,986,222 during the year

Additional information on the County's capital assets can be found in Note F on pages 57-58 of this report.

**Long-term Debt.** At the end of the current fiscal year, the County had total bonds and notes outstanding of \$52,205,692. Of this amount, \$47,726,780 is debt backed by various revenues of the County and \$4,478,912 is special assessment debt for which the County is liable in the event of default by the property owners subject to the assessment.

### Outstanding Debt at Year-end (in Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenue bonds	\$ 44,100	\$ 2,600	\$ -	\$ -	\$ 44,100	\$ 2,600
Notes payable	3,071	1,676	556	1,091	3,627	2,767
Special assessment notes	4,479	4,216	-	-	4,479	4,216
<b>Totals</b>	<b>\$ 51,650</b>	<b>\$ 8,492</b>	<b>\$ 556</b>	<b>\$ 1,091</b>	<b>\$ 52,206</b>	<b>\$ 9,583</b>

The County's total debt increased by \$42,536,372 (444%) during the current fiscal year. The reason for the increase was the issuance of several new loans for construction projects such as the new judicial center and Pea Ridge Connector.

Additional information on the County's long-term debt can be found in Note G on pages 59-63 of this report.

### Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the County and were considered in developing the 2021-2022 fiscal year budget.

- The taxable assessed property values increased 9.9%.
- Sales tax revenues are expected to generate approximately \$10.6 million.
- Completion of the new judicial facility will require use of reserves of approximately \$5 million.

### Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 6495 Caroline Street, Suite B, Milton, FL 32570.







**Basic Financial  
Statements**

**Statement of Net Position**  
**September 30, 2021**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 127,203,194	\$ 31,967,669	\$ 159,170,863
Investments	1,481,997	10,910,284	12,392,281
Receivables, net	19,979,868	1,665,218	21,645,086
Internal balances	5,000	(5,000)	-
Inventory	337,577	-	337,577
Capital assets, net			
Nondepreciable	93,263,779	6,975,511	100,239,290
Depreciable	147,682,339	23,641,490	171,323,829
<b>Total assets</b>	<b>389,953,754</b>	<b>75,155,172</b>	<b>465,108,926</b>
<b>Deferred Outflows Of Resources</b>			
Deferred outflows on pension	18,083,238	696,534	18,779,772
Deferred outflows on health insurance subsidy	3,582,779	190,956	3,773,735
Deferred outflows on OPEB	734,151	46,239	780,390
<b>Total deferred outflows of resources</b>	<b>22,400,168</b>	<b>933,729</b>	<b>23,333,897</b>
<b>Liabilities</b>			
Accounts payable	9,865,014	669,815	10,534,829
Contracts payable	3,341,227	-	3,341,227
Accrued wages payable	2,637,600	215,062	2,852,662
Interest payable	196,413	-	196,413
Due to other governments	917,623	83,636	1,001,259
Deposits	171,537	407,067	578,604
Unearned revenue	17,970,408	-	17,970,408
Noncurrent liabilities			
Due within one year	8,273,500	864,495	9,137,995
Due in more than one year	94,165,448	16,767,783	110,933,231
<b>Total liabilities</b>	<b>137,538,770</b>	<b>19,007,858</b>	<b>156,546,628</b>
<b>Deferred Inflows Of Resources</b>			
Deferred inflows on pension	52,921,959	2,199,497	55,121,456
Deferred inflows on health insurance subsidy	893,863	69,994	963,857
Deferred inflows on OPEB	1,587,363	100,296	1,687,659
<b>Total deferred inflows of resources</b>	<b>55,403,185</b>	<b>2,369,787</b>	<b>57,772,972</b>

Continued ...

**Statement of Net Position – Continued**  
**September 30, 2021**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Net Position</b>			
Net investment in capital assets	188,258,381	30,061,433	218,319,814
Restricted for:			
Landfill Closure	-	3,393,954	3,393,954
Communications	679,312	-	679,312
Partners for pets	13,554	-	13,554
Drivers education	365,487	-	365,487
Boating improvement	292,608	-	292,608
Domestic violence	244,536	-	244,536
Pollworker recruitment	1,887	-	1,887
Voter education	69	-	69
Navarre Beach Bridge maintenance	331,527	-	331,527
Infrastructure development	12,783,925	-	12,783,925
Law Enforcement Trust Fund	35,951	-	35,951
Crime prevention	544,672	-	544,672
Federal seizure funds	120,514	-	120,514
Mosquito control	128,632	-	128,632
Federal and state grants	1,829	-	1,829
Enhanced 911 system	555,645	-	555,645
Tourist development	4,616,388	-	4,616,388
State Housing Improvement Program	993,010	-	993,010
Flood Mitigation	14,757,582	-	14,757,582
Fire prevention and control	324,563	-	324,563
Road and sewer construction	944,153	-	944,153
Canal maintenance	196,306	-	196,306
Beach restoration	18,677	-	18,677
State court operations	286	-	286
Court equipment and technology	936,247	-	936,247
Records modernization trust fund	920,918	-	920,918
Law enforcement training	115,362	-	115,362
Inmate welfare purchases	718,078	-	718,078
Unrestricted (deficit)	(9,488,131)	21,255,869	11,767,738
<b>Total net position</b>	<b>\$ 219,411,967</b>	<b>\$ 54,711,256</b>	<b>\$ 274,123,223</b>

The accompanying notes are an integral part of these financial statements.

**Statement of Activities**  
**Year Ended September 30, 2021**

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Functions/Programs:</b>							
<b>Governmental activities:</b>							
General government	\$ 46,740,092	\$ 25,333,440	\$ 15,647,899	\$ -	\$ (5,758,753)		\$ (5,758,753)
Public safety	74,022,556	4,119,687	11,341,152	985,074	(57,576,643)		(57,576,643)
Physical environment	2,887,030	4,580,401	632,639	-	2,326,010		2,326,010
Transportation	19,401,797	-	229,307	7,209,779	(11,962,711)		(11,962,711)
Economic environment	5,404,978	-	283,690	3,951,749	(1,169,539)		(1,169,539)
Human services	7,016,076	33,908	641,124	-	(6,341,044)		(6,341,044)
Culture and recreation	4,716,703	673,632	419,067	-	(3,624,004)		(3,624,004)
Interest on long-term debt	715,958	-	-	-	(715,958)		(715,958)
<b>Total governmental activities</b>	<b>160,905,190</b>	<b>34,741,068</b>	<b>29,194,878</b>	<b>12,146,602</b>	<b>(84,822,642)</b>		<b>(84,822,642)</b>
<b>Business-type activities:</b>							
Navarre Beach water and sewer	2,070,412	2,500,689	-	7,183		\$ 437,460	437,460
Inspections	2,402,559	5,308,350	-	-		2,905,791	2,905,791
Peter Prince Airport	547,568	324,930	-	794,354		571,716	571,716
Landfill	2,683,431	16,961,961	-	-		14,278,530	14,278,530
<b>Total business-type activities</b>	<b>7,703,970</b>	<b>25,095,930</b>	<b>-</b>	<b>801,537</b>		<b>18,193,497</b>	<b>18,193,497</b>
<b>Total</b>	<b>168,609,160</b>	<b>59,836,998</b>	<b>29,194,878</b>	<b>12,948,139</b>	<b>(84,822,642)</b>	<b>18,193,497</b>	<b>(66,629,145)</b>
<b>General revenues:</b>							
Taxes							
Property taxes					65,623,243	-	65,623,243
Sales, use and fuel taxes					25,981,294	-	25,981,294
Communication services taxes					1,143,101	-	1,143,101
Grants and contributions not restricted to specific program					20,968,519	-	20,968,519
Unrestricted investment earnings					138,790	37,949	176,739
Miscellaneous					4,017,359	5,120	4,022,479
Gain on sale of assets					-	79,840	79,840
Transfers					730,120	(730,120)	-
<b>Total general revenues and transfers</b>					<b>118,602,426</b>	<b>(607,211)</b>	<b>117,995,215</b>
Change in net position					33,779,784	17,586,286	51,366,070
<b>Net position - beginning, restated</b>					<b>\$ 185,632,183</b>	<b>\$ 37,124,970</b>	<b>\$ 222,757,153</b>
<b>Net position - ending</b>					<b>\$ 219,411,967</b>	<b>\$ 54,711,256</b>	<b>\$ 274,123,223</b>

The accompanying notes are an integral part of these financial statements.



## Balance Sheet

### Governmental Funds

#### September 30, 2021

	General	Road and Bridge	Local Option Sales Tax	Disaster	American Rescue Plan	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>								
Cash and Cash Equivalents	\$ 45,390,027	\$ 4,701,645	\$ 11,583,542	\$ 4,949,418	\$ 17,854,349	\$ 19,622,368	\$ 15,544,105	\$ 119,645,454
Investments	781,925	-	-	-	-	-	-	781,925
Receivables, Net of Uncollectibles								
Accounts	120,726	-	-	-	-	-	654,176	774,902
Leases - Current	326,283	-	-	-	-	-	-	326,283
Due From Other Governments	1,621,797	1,082,321	779,513	9,816,152	-	-	5,535,712	18,835,495
Due From Other Funds	4,716,147	-	-	-	-	-	108,267	4,824,414
Inventory	92,746	244,831	-	-	-	-	-	337,577
<b>Total Assets</b>	<b>\$ 53,049,651</b>	<b>\$ 6,028,797</b>	<b>\$ 12,363,055</b>	<b>\$ 14,765,570</b>	<b>\$ 17,854,349</b>	<b>\$ 19,622,368</b>	<b>\$ 21,842,260</b>	<b>\$ 145,526,050</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
Accounts Payable	\$ 3,216,246	\$ 515,514	\$ 47,428	\$ 7,988	\$ 50,431	\$ 3,913,413	\$ 990,689	\$ 8,741,709
Contracts Payable	-	475,553	19,872	-	-	2,102,263	743,539	3,341,227
Accrued Wages Payable	2,069,541	290,817	-	-	-	-	265,883	2,626,241
Deposits	171,537	-	-	-	-	-	-	171,537
Unearned Revenue	142,492	-	-	-	17,802,089	-	25,827	17,970,408
Due to Other Funds	5,826	-	-	-	-	-	4,813,588	4,819,414
Due to Other Governments	46,713	-	-	-	-	-	870,910	917,623
<b>Total Liabilities</b>	<b>5,652,355</b>	<b>1,281,884</b>	<b>67,300</b>	<b>7,988</b>	<b>17,852,520</b>	<b>6,015,676</b>	<b>7,710,436</b>	<b>38,588,159</b>
<b>Fund Balances:</b>								
Nonspendable	92,746	244,831	-	-	-	-	-	337,577
Restricted	1,597,453	331,527	12,295,755	14,757,582	1,829	13,606,692	11,657,571	54,248,409
Committed	50,961	-	-	-	-	-	1,949,434	2,000,395
Assigned	5,538,442	4,170,555	-	-	-	-	713,237	10,422,234
Unassigned	40,117,694	-	-	-	-	-	(188,418)	39,929,276
<b>Total Fund Balances</b>	<b>47,397,296</b>	<b>4,746,913</b>	<b>12,295,755</b>	<b>14,757,582</b>	<b>1,829</b>	<b>13,606,692</b>	<b>14,131,824</b>	<b>106,937,891</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 53,049,651</b>	<b>\$ 6,028,797</b>	<b>\$ 12,363,055</b>	<b>\$ 14,765,570</b>	<b>\$ 17,854,349</b>	<b>\$ 19,622,368</b>	<b>\$ 21,842,260</b>	<b>\$ 145,526,050</b>

The accompanying notes are an integral part of these financial statements.

## Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position September 30, 2021

<b>Total Governmental Fund Balances</b>		<b>\$ 106,937,891</b>
 <i>Amounts Reported for Governmental Activities in the Statement of Net Position Are Different Because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Total Capital Assets, Net, See Note F	240,946,118	
Less: Internal Service Fund Capital Assets	<u>(25,869)</u>	240,920,249
 Deferred outflows of resources are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds:		
Deferred Outflows On Pension	18,083,238	
Less: Internal Service Fund Deferred Outflows On Pensions	(39,280)	
Deferred Outflows On Health Insurance Subsidy	3,582,779	
Less: Internal Service Fund Deferred Outflows On Health Insurance Subsidy	(11,649)	
Deferred Outflows On Opeb	734,151	
Less: Internal Service Fund Deferred Outflows On Opeb	<u>(2,362)</u>	22,346,877
 Long term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Total Long-term Liabilities, See Note G	(64,324,892)	
Net Pension Liability, See Note K	(32,566,054)	
Net OPEB Liability, See Note N	(7,559,910)	
Add: Interest Payable Due to Interest Accruals	(196,413)	
Less: Enterprise Funds Net Pension Liability	1,579,877	
Less: Enterprise Funds Net OPEB Liability	432,031	
Less: Internal Service Fund Insurance Claims Payable	4,023,359	
Less: Internal Service Fund Compensated Absences	32,712	
Less: Internal Service Fund Other Postemployment Benefits Liability	29,914	
Less: Internal Service Fund Net Pension Liability	(16,716)	
Less: Internal Service Fund Net Health Insurance Subsidy Liability	<u>80,726</u>	(98,485,366)
 Deferred inflows of resources are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds:		
Deferred Inflows On Pension	(52,921,959)	
Less: Internal Service Fund Deferred Inflows On Pensions	175,472	
Deferred Inflows On Health Insurance Subsidy	(893,863)	
Less: Internal Service Fund Deferred Inflows On Health Insurance Subsidy	3,085	
Deferred Inflows On Opeb	(1,587,363)	
Less: Internal Service Fund Deferred Inflows On Opeb	<u>6,323</u>	(55,218,305)
 Internal Service Funds are used by management to charge the costs of providing insurance coverage to individual funds and therefore, the assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.		
		<u>2,910,621</u>
<b>Net Position of Governmental Activities</b>		<b>\$ <u>219,411,967</u></b>

The accompanying notes are an integral part of these financial statements.



## Statement of Revenues, Expenditures, And Changes In Fund Balances

### Governmental Funds

#### Year Ended September 30, 2021

	General	Road and Bridge	Local Option Sales Tax	Disaster
<b>Revenues</b>				
Taxes	\$ 67,920,968	\$ 8,276,800	\$ 11,533,480	\$ -
Permits, Fees and Special Assessments	577,158	-	-	-
Intergovernmental	18,811,192	3,424,634	-	10,617,051
Charges for Services	11,186,563	10,538	-	-
Fines and Forfeits	342,831	-	-	-
Miscellaneous	2,434,077	554,796	4,218	68
<b>Total Revenues</b>	<b>101,272,789</b>	<b>12,266,768</b>	<b>11,537,698</b>	<b>10,617,119</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	\$ 29,333,269	\$ -	\$ 654,949	\$ -
Public Safety	55,903,411	-	708,848	9,955,292
Physical Environment	2,604,009	1,871,561	70,629	-
Transportation	1,524,473	11,924,693	1,950,639	-
Economic Environment	1,001,449	-	-	-
Human Services	6,773,036	-	-	-
Culture and Recreation	3,801,878	-	1,057,849	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
<b>Total Expenditures</b>	<b>100,941,525</b>	<b>13,796,254</b>	<b>4,442,914</b>	<b>9,955,292</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>331,264</b>	<b>(1,529,486)</b>	<b>7,094,784</b>	<b>661,827</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	12,246,397	2,643,843	-	10,608,039
Transfers Out	(14,318,447)	-	(809,010)	-
Issuance of Revenue Refunding Bond	-	-	-	-
Issuance of Other Debt	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,072,050)</b>	<b>2,643,843</b>	<b>(809,010)</b>	<b>10,608,039</b>
<b>Net Change in Fund Balances</b>	<b>(1,740,786)</b>	<b>1,114,357</b>	<b>6,285,774</b>	<b>11,269,866</b>
Fund Balances, Beginning of Year Restated	49,138,082	3,632,556	6,009,981	3,487,716
<b>Fund Balances, End of Year</b>	<b>\$ 47,397,296</b>	<b>\$ 4,746,913</b>	<b>\$ 12,295,755</b>	<b>\$ 14,757,582</b>

The accompanying notes are an integral part of these financial statements.

American Rescue Plan	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 5,016,390	\$ 92,747,638
-	-	11,998,051	12,575,209
98,231	200,000	22,122,659	55,273,767
-	-	5,738,309	16,935,410
-	-	1,241,279	1,584,110
1,829	12,516	1,218,093	4,225,597
<b>100,060</b>	<b>212,516</b>	<b>47,334,781</b>	<b>183,341,731</b>
\$ 98,231	\$ 160,153	\$ 20,367,855	\$ 50,614,457
-	-	11,623,590	78,191,141
-	-	534,043	5,080,242
-	-	966,476	16,366,281
-	-	4,286,554	5,288,003
-	-	309,600	7,082,636
-	-	-	4,859,727
-	33,945,647	-	33,945,647
-	-	1,866,637	1,866,637
<b>98,231</b>	<b>34,105,800</b>	<b>39,954,755</b>	<b>203,294,771</b>
<b>1,829</b>	<b>(33,893,284)</b>	<b>7,380,026</b>	<b>(19,953,040)</b>
-	4,692,921	3,425,002	33,616,202
-	(789,364)	(16,969,261)	(32,886,082)
-	32,400,000	-	32,400,000
-	10,825,000	1,210,500	12,035,500
-	<b>47,128,557</b>	<b>(12,333,759)</b>	<b>45,165,620</b>
<b>1,829</b>	<b>13,235,273</b>	<b>(4,953,733)</b>	<b>25,212,580</b>
-	371,419	19,085,557	81,725,311
<b>\$ 1,829</b>	<b>\$ 13,606,692</b>	<b>\$ 14,131,824</b>	<b>\$ 106,937,891</b>

The accompanying notes are an integral part of these financial statements.



## Reconciliation of the Statement of Revenues, Expenditures And Changes In Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended September 30, 2021

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 25,212,580</b>
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
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 as depreciation expense. in the current period. These amounts are:	
Current Period Investment in Capital Assets	60,910,591
Current Period Depreciation	(13,502,047)
Current Period Loss On Disposal of Capital Assets, Net of Proceeds	(303,346)
 In the Statement of Activities, interest is accrued on outstanding loans, whereas in governmental funds, an interest expenditure is reported when due.	
Change in Interest Payable	(125,929)
 Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also debt proceeds are an other financing source in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.	
Current Period Change in Compensated Absences	(84,352)
Current Period Note Payments	829,471
Current Period Special Assessment Note Payments	447,137
Current Period Debt Proceeds	(12,035,500)
Current Period Change in Pension Liability	71,038,210
Current Period Change in Health Insurance Subsidy	(344,315)
Current Period Increase in Other Post Employment Benefits Liability	424,389
Current Period Change in Deferred Outflow of Resources On Pensions	(11,765,114)
Current Period Change in Deferred Inflow of Resources On Pensions	(52,367,187)
Current Period Change in Deferred Outflow of Resources On Health Insurance Subsidy	(606,480)
Current Period Change in Deferred Inflow of Resources On Health Insurance Subsidy	266,851
Current Period Change in Deferred Outflow of Resources On OPEB	(90,925)
Current Period Change in Deferred Inflow of Resources On OPEB	(564,756)
 Internal service funds are used by management to charge the costs of providing insurance coverage and therefore, the change in net position of the internal service fund is included in governmental activities in the Statement of Activities.	
	<u>(1,159,494)</u>
 <b>Change in Net Position of Governmental Activities</b>	 <b><u>\$ 66,179,784</u></b>

The accompanying notes are an integral part of these financial statements.

## Statement of Net Position Proprietary Funds September 30, 2021

	Business-type Activities			Governmental
	Major Fund	Nonmajor	Total	Internal
	Landfill	Enterprise	Enterprise	Service Fund
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 16,354,394	\$ 8,692,902	\$ 25,047,296	\$ 7,557,740
Investments	-	-	-	700,072
Accounts Receivable	1,255,087	182,128	1,437,215	43,188
Due From Other Governments	-	228,003	228,003	-
<b>Total Current Assets</b>	<b>17,609,481</b>	<b>9,103,033</b>	<b>26,712,514</b>	<b>8,301,000</b>
<b>Noncurrent Assets</b>				
Restricted Cash and Cash Equivalents	6,920,373	-	6,920,373	-
Restricted Investments	10,910,284	-	10,910,284	-
Capital Assets, Net of Accumulated Depreciation	18,119,849	12,497,152	30,617,001	25,869
<b>Total Noncurrent Assets</b>	<b>35,950,506</b>	<b>12,497,152</b>	<b>48,447,658</b>	<b>25,869</b>
<b>Total Assets</b>	<b>53,559,987</b>	<b>21,600,185</b>	<b>75,160,172</b>	<b>8,326,869</b>
<b>Deferred Outflows of Resources</b>				
Deferred Outflow On Pension	297,989	398,545	696,534	39,280
Deferred Outflow On Health Insurance Subsidy	86,744	104,212	190,956	11,649
Deferred Outflow On OPEB	22,695	23,544	46,239	2,362
<b>Total Deferred Outflows of Resources</b>	<b>407,428</b>	<b>526,301</b>	<b>933,729</b>	<b>53,291</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	271,548	328,905	600,453	1,123,305
Contracts Payable	17,816	51,546	69,362	-
Current Portion of Claims Payable	-	-	-	650,172
Accrued Wages Payable	98,817	116,245	215,062	11,359
Due to Other Governments	-	83,636	83,636	-
Due to Other Funds	-	5,000	5,000	-
Compensated Absences - Current Portion	195,000	95,206	290,206	32,712
Note Payable - Current	-	555,568	555,568	-
Deposits	166,767	240,300	407,067	-
Current Portion of Landfill Closure Costs	18,721	-	18,721	-
<b>Total Current Liabilities</b>	<b>768,669</b>	<b>1,476,406</b>	<b>2,245,075</b>	<b>1,817,548</b>
<b>Noncurrent Liabilities</b>				
Long Term Portion of Compensated Absences	142,893	195,000	337,893	-
Long Term Portion of Claims Payable	-	-	-	3,373,187
Long Term Portion of Landfill Closure Costs	14,417,982	-	14,417,982	-
Net Pension Liability	239,530	243,278	482,808	(16,716)
Net Health Insurance Subsidy Liability	473,856	623,213	1,097,069	80,726
OPEB Liability	189,654	242,377	432,031	29,914
<b>Total Noncurrent Liabilities</b>	<b>15,463,915</b>	<b>1,303,868</b>	<b>16,767,783</b>	<b>3,467,111</b>
<b>Total Liabilities</b>	<b>16,232,584</b>	<b>2,780,274</b>	<b>19,012,858</b>	<b>5,284,659</b>
<b>Deferred Inflows of Resources</b>				
Deferred Inflow On Pension	971,109	1,228,388	2,199,497	175,472
Deferred Inflow On Health Insurance Subsidy	30,394	39,600	69,994	3,085
Deferred Inflow On OPEB	47,036	53,260	100,296	6,323
<b>Total Deferred Inflows of Resources</b>	<b>1,048,539</b>	<b>1,321,248</b>	<b>2,369,787</b>	<b>184,880</b>
<b>Net Position</b>				
Net Investment in Capital Assets	18,119,849	11,941,584	30,061,433	25,869
Restricted for Landfill Closure	3,393,954	-	3,393,954	-
Unrestricted	15,172,489	6,083,380	21,255,869	2,884,752
<b>Total Net Position</b>	<b>\$ 36,686,292</b>	<b>\$ 18,024,964</b>	<b>\$ 54,711,256</b>	<b>\$ 2,910,621</b>

The accompanying notes are an integral part of these financial statements.

## Statement of Revenues, Expenses, And Changes In Net Position - Proprietary Funds

Year Ended September 30, 2021

	Business-tupe Activities			Governmental
	Major Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities
	Landfill			Internal Service Fund
<b>Operating Revenues</b>				
Permits, Fees and Special Assessments	\$ 275,500	\$ 5,291,887	\$ 5,567,387	\$ -
Charges for Services	16,686,461	2,842,082	19,528,543	1,512,970
Insurance Proceeds	-	-	-	1,884,194
Miscellaneous	5,000	121	5,121	-
<b>Total Operating Revenues</b>	<b>16,966,961</b>	<b>8,134,090</b>	<b>25,101,051</b>	<b>3,397,164</b>
<b>Operating Expenses</b>				
Personal Services	2,262,300	2,637,565	4,899,865	362,567
Contract Services	1,486,286	749,154	2,235,440	218,769
Supplies	144,584	206,194	350,778	25,779
Repairs and Maintenance	669,372	262,054	931,426	83,893
Utilities	79,721	105,584	185,305	-
Depreciation	1,029,051	887,047	1,916,098	5,376
Travel and Per Diem	1,599	1,957	3,556	-
Insurance	85,500	60,750	146,250	2,688,449
Communications	46,913	33,723	80,636	158
Advertising	1,422	-	1,422	-
Fuel and Oil	243,247	37,123	280,370	-
Rentals	813,093	1,487	814,580	-
Landfill Closure and Maintenance	(4,199,671)	-	(4,199,671)	-
Claims and Changes in Estimates	-	-	-	1,160,678
Miscellaneous	20,014	21,573	41,587	17,169
<b>Total Operating Expenses</b>	<b>2,683,431</b>	<b>5,004,211</b>	<b>7,687,642</b>	<b>4,562,838</b>
<b>Operating Income (Loss)</b>	<b>14,283,530</b>	<b>3,129,879</b>	<b>17,413,409</b>	<b>(1,165,674)</b>
<b>Non-operating Revenues (Expenses)</b>				
Investment Income	34,535	3,414	37,949	6,180
Interest Expense	-	(16,329)	(16,329)	-
Sale of Recycled Materials	99,273	-	99,273	-
Gain (Loss) On Disposal of Assets	(18,464)	(969)	(19,433)	-
<b>Total Non-operating Revenues (Expenses)</b>	<b>115,344</b>	<b>(13,884)</b>	<b>101,460</b>	<b>6,180</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>14,398,874</b>	<b>3,115,995</b>	<b>17,514,869</b>	<b>(1,159,494)</b>
Transfers in	-	690,565	690,565	-
Transfers Out	(1,103,150)	(317,535)	(1,420,685)	-
Capital Contribution	-	801,537	801,537	-
<b>Change in Net Position</b>	<b>13,295,724</b>	<b>4,290,562</b>	<b>17,586,286</b>	<b>(1,159,494)</b>
Net Position, Beginning of Year	23,390,568	13,734,402	37,124,970	4,070,115
<b>Net Position, End of Year</b>	<b>\$ 36,686,292</b>	<b>\$ 18,024,964</b>	<b>\$ 54,711,256</b>	<b>\$ 2,910,621</b>

The accompanying notes are an integral part of these financial statements.

**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended September 30, 2021**

	Business-type Activities			Governmental
	Major Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities
	Landfill			Internal Service Fund
<b>Cash Flows From Operating Activities</b>				
Cash Received From Customers	\$ 17,040,393	\$ 8,106,146	\$ 25,146,539	\$ -
Cash Paid to Suppliers	(3,453,403)	(1,733,087)	(5,186,490)	(3,048,693)
Cash Paid to Employees	(2,278,095)	(2,633,140)	(4,911,235)	(353,860)
Cash Received From Interfund Services Provided	-	-	-	3,393,283
Cash Paid for Internal Services Provided	-	-	-	(700,181)
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>11,308,895</b>	<b>3,739,919</b>	<b>15,048,814</b>	<b>(709,451)</b>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers in	-	690,565	690,565	-
Transfers Out	(1,103,150)	(317,535)	(1,420,685)	-
<b>Net Cash Provided (Used) By Noncapital Financing Activities</b>	<b>(1,103,150)</b>	<b>373,030</b>	<b>(730,120)</b>	<b>-</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Proceeds From Sale of Assets	49,114	-	49,114	-
Capital Contribution	-	801,537	801,537	-
Purchases of Capital Assets	(912,820)	(4,039,109)	(4,951,929)	-
Principal Paid On Capital Debt	-	(535,020)	(535,020)	-
Interest Paid On Capital Debt	-	(16,329)	(16,329)	-
<b>Net Cash Provided (Used) By Capital and Related Financing Activities</b>	<b>(863,706)</b>	<b>(3,788,921)</b>	<b>(4,652,627)</b>	<b>-</b>
<b>Cash Flows From Investing Activities</b>				
Interest and Dividends	34,535	3,414	37,949	6,180
Net Sale (Purchase) of Investments	(24,335)	-	(24,335)	(1,562)
<b>Net Cash Provided (Used) By Investing Activities</b>	<b>10,200</b>	<b>3,414</b>	<b>13,614</b>	<b>4,618</b>
Net Increase (Decrease) in Cash and Cash Equivalents	9,352,239	327,442	9,679,681	(704,833)
Cash and Cash Equivalents At Beginning of Year	13,922,528	8,365,460	22,287,988	8,262,573
<b>Cash and Cash Equivalents At End of Year</b>	<b>\$ 23,274,767</b>	<b>\$ 8,692,902</b>	<b>\$ 31,967,669</b>	<b>\$ 7,557,740</b>

The accompanying notes are an integral part of these financial statements.

	Business-type Activities			Continued
	Major Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities
	Landfill			Internal Service Fund
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>				
Operating Income (Loss)	\$ 14,283,530	\$ 3,129,879	\$ 17,413,409	\$ (1,165,674)
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities</b>				
Depreciation Expense	1,029,051	887,047	1,916,098	5,376
Landfill Closure Costs	(4,199,671)	-	(4,199,671)	-
Gain (Loss) On Disposal of Capital Assets	(18,464)	-	(18,464)	-
Sale of Recycled Materials	99,273	-	99,273	-
Changes in Assets and Liabilities:				
Accounts Receivable	73,432	47,173	120,605	(3,881)
Due From Other Governments	-	(75,117)	(75,117)	-
Accounts Payable	131,653	(80,899)	50,754	9,906
Contracts Payable	17,816	51,546	69,362	-
Accrued Compensation	6,388	11,569	17,957	(2,675)
Compensated Absences	(22,183)	(7,144)	(29,327)	11,382
Due to Other Governments	-	13,172	13,172	-
Due to Other Funds	-	5,000	5,000	-
Opeb Liability	(13,078)	(15,595)	(28,673)	(2,246)
Claims Payable	-	-	-	460,497
Deposits	21,067	(51,169)	(30,102)	-
Net Pension Liability	(1,276,541)	(1,638,121)	(2,914,662)	(231,930)
Net Health Insurance Subsidy	(7,087)	(18,296)	(25,383)	(1,288)
Deferred Outflows of Resources	213,046	258,216	471,262	34,249
Deferred Inflows of Resources	970,663	1,222,658	2,193,321	176,833
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>\$ 11,308,895</b>	<b>\$ 3,739,919</b>	<b>\$ 15,048,814</b>	<b>\$ (709,451)</b>

The accompanying notes are an integral part of these financial statements.



**Statement of Fiduciary Net Position  
Custodial Funds  
September 30, 2021**

**Assets**

Cash and Cash Equivalents	\$ 6,881,938
Miscellaneous Receivables	250,542
<b>Total Assets</b>	<b><u>\$ 7,132,480</u></b>

**Liabilities**

Accounts Payable	\$ 5,637
Due to Other Governments	1,622,551
Miscellaneous Liabilities	92,635
<b>Total Liabilities</b>	<b><u>\$ 1,720,823</u></b>

**Net Position**

Restricted for:	
Cash Bonds	\$ 359,061
Court Registry	2,506,415
General Trust	2,511,750
Seizure	13,439
Flowers or Donations	20,992
<b>Total Net Position</b>	<b><u>\$ 5,411,657</u></b>

The accompanying notes are an integral part of these financial statements.

## Statement of Changes in Fiduciary Net Position Custodial Funds September 30, 2021

<b>Additions</b>	
Deposits in Court Registry	\$ 7,209,835
Recording Fees	42,585,051
Deposits for Real Estate Auction	1,801,520
Deposits for Tax Deeds	1,696,894
Deposits for Restitution	153,477
Deposits for Bonds	779,654
Payments from State	234
Payments from Individuals	4,496,366
Unclaimed Funds	26,616
Child Support Purges and Levies	75,460
Cash Seized	7,801
Property Tax Collections for Other Governments	158,007,739
Other Taxes and Fees for Other Governments	741,086
License and Fees Collected for State	30,247,037
Other Fees Collected for Other Entities	5,436,432
<b>Total Additions</b>	<b><u>253,265,202</u></b>
<b>Deductions</b>	
Release of Bonds	700,643
Refunds of Real Estate Auction Deposits	1,910,668
Tax Deed Deferred	488,451
Payments to State	79,127,162
Payments to Local Agencies	1,609,450
Payments for Witnesses	3,938
Payments to Victims	153,476
Refunds	181,046
Court Ordered Disbursements	6,501,565
Flower Fund	431
Purges and Levies Paid to Other Agencies	77,193
Payments to Law Enforcement Trust	7,652
Payments of Property Tax to Other Governments	158,007,739
Payments of Other Taxes and Fees to Other Governments	741,086
Payments to Other Entities	5,436,432
<b>Total Deductions</b>	<b><u>254,946,932</u></b>
<b>Changes in Net Position</b>	<b>(1,681,730)</b>
Net Position, Beginning of Year Restated	7,093,387
<b>Net Position, End of Year</b>	<b><u>\$ 5,411,657</u></b>

The accompanying notes are an integral part of these financial statements.

# Notes To Financial Statements

## GUIDE TO NOTES

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## NOTE A – SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies applied consistently in the preparation of the financial statements follows:

### 1. Reporting Entity

The Governmental Accounting Standards Board (GASB) has established standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations. As concluded by the GASB, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Santa Rosa County, Florida (the County) is a political subdivision of the State of Florida created pursuant to Article 8, Section 1(e), of the Constitution of the State of Florida and Chapter 7 of the Florida Statutes. It is governed by a five-member Board of County Commissioners (the Board) elected from single-member districts. The Board has no powers other than those expressly vested in it by the Florida Statutes and its governmental powers cannot be delegated. The Board appoints an administrator to administer all policies emanating from its statutory powers and authority. In addition to the Board, there are five elected Constitutional Officers, pursuant to Article 8, Section 1(d) of the Constitution of the State of Florida: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

These financial statements include the operating activities of the Board, Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

### Dependent Special Districts

**Blackwater Soil & Water Conservation District** - The Blackwater Soil & Water Conservation District (Blackwater) was created by the Florida Legislature in 1942 pursuant to Florida Statute Section 582. Santa Rosa County was established as the local governing authority and is Blackwater's only source of funding. Blackwater does not meet the criteria as a legally separate entity in that it cannot buy, sell, own, lease and mortgage property in its own name. The activities of Blackwater are included in these financial statements as a department of the County within the General Fund.

**Pace Property Finance Authority** - The Pace Property Finance Authority (Authority) was created in 1990 by County Resolution No. 90-12 pursuant to Chapter 617 of the Florida Statutes. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, the Authority is a component unit of the County. However, the Authority meets the criteria for inclusion in more than one reporting entity - Pace Water System as well as the County. In these cases, judgment must be exercised by management of the reporting entities as to which reporting entity the organization should be included. The Authority has the same elected governing body as the Pace Water System. Additionally, both the Authority and Pace Water System own portions of a single water/sewer system; thus, their capital assets are part of an interconnected system. Finally, the Authority's debt was issued solely to finance the Pace water/sewer system improvements. Based on these facts, management has decided to include the Authority in the combined financial statements of Pace Water System rather than as a component unit of the County.

**Santa Rosa County Health Facilities Authority** - The Santa Rosa County Health Facilities Authority (Authority) was created in 1982 by County Ordinance No. 82-02 pursuant to Section 154, Florida Statutes. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, the Authority is a component unit of the County. The County appoints the five (5) members of the Authority. Additionally, the County may abolish the Authority at any time by ordinance or resolution as long as all bonded indebtedness incurred by the Authority has been paid. The Authority exists solely to assist health facilities within the County with the acquisition, construction, financing, and refinancing of projects through issuance of conduit debt. All bonds issued by the Authority were subsequently defeased through issuance of new debt culminating with the issuance of \$58 million in new bonds in 2003. The debt outstanding is a limited obligation of the Authority and not a general obligation of the Authority or the County. The Authority is not obligated to pay the principal and interest on the bonds except from the

**NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued**

revenues of the Authority pursuant to its loan agreement with Gulf Breeze Hospital. The Authority has no financial activity and the bonds issued under the Authority's name are recorded in the books of the hospital.

**Santa Rosa County Housing Finance Authority** - The Santa Rosa County Housing Finance Authority (Authority) was created in 1984 by County Resolution No. 84-18 pursuant to Chapter 78-89, Laws of Florida codified as Chapter 159, Part IV, Section 159.601 through 159.623. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, based on the criteria outlined above, the Authority is a component unit of Santa Rosa County. The Santa Rosa County Board of County Commissioners, through various resolutions and interlocal agreements with the Escambia County Housing Finance Authority (ECHFA), has authorized ECHFA to allow qualified residents of Santa Rosa County to apply for and obtain preferential mortgages from proceeds generated by bonds issued by ECHFA. Accordingly, there is no financial activity related to the Santa Rosa County Housing Finance Authority to be reflected in these financial statements.

**2. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The County groups its funds into two broad fund categories as either governmental or proprietary in nature. Governmental funds include the general, special revenue, debt service and capital project funds. Proprietary funds include enterprise funds and an internal service fund.

**3. Basis of Accounting****Government-Wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Fiduciary funds are excluded from the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

The government-wide Statement of Activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the County and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the County.

Net position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other purposes result from special revenue funds and the restrictions on their use. In a fund with both restricted and unrestricted positions, qualified expenses are considered to be paid first from restricted net position then from unrestricted net position. The government-wide statement of net position reports \$44,035,671 of restricted net position, of which \$14,288,141 is restricted by enabling legislation.

**Fund Financial Statements**

The Fund financial statements, as presented herein, focus primarily on the major funds of the governmental and proprietary categories. Each major fund is presented in a separate column. Nonmajor funds are aggregated and



## NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

### Governmental Funds

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental funds are:

- General Fund – This is the County's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- Road and Bridge Special Revenue Fund – Accounts for that portion of state fuel taxes and fees designated for road improvement projects.
- Local Option Sales Tax Special Revenue Fund – Accounts for ½-cent local option sales surtax designated for capital improvement projects.
- Disaster Special Revenue Fund – accounts for federal, state and local funding relating to recovery from natural disasters.
- American Rescue Plan Special Revenue Fund – Accounts for appropriations from the Federal government of funds under the American Rescue Plan Act.
- Other Capital Projects Fund – accounts for the purchase or construction of other capital facilities which are not financed by proprietary funds or trust funds.

### Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within one month of year-end and available to pay obligations of the current period – except for certain grant revenues which are recognized as revenues in the same period the grant expenditures occurred). This includes investment earnings, property taxes, special assessments, and fines and forfeitures. Certain state-levied locally shared taxes including motor vehicle license tax and fuel taxes are considered derived non-exchange transactions. These types of transactions are subject to income recognition when the underlying transaction occurs. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Other revenues, including licenses and permits, certain charges for services and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

### Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on governmental long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

### Proprietary Funds

All proprietary funds use the accrual basis of accounting and the economic resources measurement focus. These funds account for operations that are primarily financed by user charges. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility service receivables are recorded at each year-end.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the County's enterprise

**NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued**

funds and internal service fund are charged to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The major proprietary fund is:the Landfill Fund, which accounts for the operation of the solid waste disposal facilities of the County.

The County's only internal service fund is the Self Insurance Fund. This fund accounts for the risk management activities of the Board and the other elected officials. Costs are billed to the departments and other elected officials at the actual and estimated costs of providing insurance coverage. At year-end, uncovered costs are billed to the departments, if necessary. Billings in excess of costs are credited to the departments. The policy of the County is not to eliminate interfund activity, i.e. the estimated insurance costs billed to the departments, in the government-wide statement of activities, so as to better reflect the true operating costs of those departments.

**Fiduciary Funds**

Custodial funds are used to account for monies held on behalf of individuals and companies that use the County as a depository as well as for property taxes, fines, court costs, licenses and fees collected on behalf of other governments. The County has thirteen custodial fiduciary funds.

**4. Budgets and Budgetary Accounting**

Florida Statutes Chapters 129 and 200 govern the preparation, adoption, and administration of the County's annual budget. The budget must be balanced, i.e., the estimated revenues plus beginning fund balance brought forward must equal appropriations and be prepared on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The Board may, at any time within a fiscal year, amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes. The budget officer may authorize certain inter-departmental and interdepartmental budget amendments, provided that the total appropriation of the fund is not changed. All annual appropriations lapse at fiscal year end.

Budgets are required for all governmental funds except:

## Special Revenue Funds:

- Sheriff's Grants
- Sheriff's Second Dollar
- Sheriff's Prisoner Recreation
- Sheriff's Local Option Sales Tax

Accordingly, the County does not adopt annual appropriated budgets for the above listed special revenue funds.

Budgets are not initially authorized but subsequently amended for the following funds:

## Special Revenue Funds:

- Disaster
- Grants

**5. Cash and Cash Equivalents**

For purposes of the statements of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

**6. Investments**

Investments in U.S. Treasury bills, government backed securities and the Florida Local Government Investment Trust Fund are recorded at fair value. As permitted by GASB Statement No. 72, bank certificates of deposit and short-term money market investments are reported at amortized cost rather than fair value.

## NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

### 7. Inventory

Inventory consists of gas, oil, automotive parts, road signs, culverts, and various other items used by the road department and insecticides used by mosquito control operations. Inventory is valued at cost (first in, first out). The cost is recorded as an expenditure at the time the inventory is purchased.

In the fund level statements, reported inventories are equally offset by a nonspendable fund balance since such amounts will not convert to cash even though they are a component of net current assets.

### 8. Accounting for Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the acquisition date.

The cost of normal maintenance and repairs that does not add to the value of an asset or materially extends an asset's life is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The County does not capitalize interest expense on borrowings used to finance construction of capital assets, as the capitalizable interest, after netting of interest earnings, is normally insignificant.

Property, plant and equipment of the County is depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 - 50 years
Water Distribution System	20 years
Improvements	10 - 20 years
Equipment	3 - 10 years
Infrastructure	40 years

### 9. Compensated Absences

It is the policy of the County to permit employees to accumulate a limited amount of earned but unused leave benefits which will be paid to employees upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the government-wide and proprietary fund financial statements. The valuation of accrued leave benefits is calculated in accordance with GASB Statement No. 16. For the governmental activities, compensated absences are generally liquidated by the General (75%) and the Road and Bridge (25%) funds.

### 10. Property Taxes

Real and personal property valuations are determined each year as of January 1 by the Property Appraiser's office. Florida Statutes require that all property be assessed at 100 percent of just value.

All property taxes become due and payable on November 1 and are delinquent on April 1 of the following year. Discounts of 4, 3, 2 and 1 percent are allowed for early payment in November through February, respectively. The Tax Collector advertises as required by statute and sells tax certificates for unpaid taxes on real property. Certificates not sold are considered "County Held Certificates." Persons owning land upon which a tax certificate has been sold may redeem the land by paying the face amount of the tax certificate, plus interest and other costs.

Property taxes levied on property valuations as of January 1, 2021 and expected to be collected during the period November 2021 through March 2022 are as follows:

General Fund	\$ 75,023,121
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These taxes, although measurable, are not recognized as revenue at September 30, 2021, since they are not considered to be collectible within the current period or soon enough thereafter to be used to pay current period liabilities.

**NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued****11. Landfill Closure Costs**

Under the terms of current state and federal regulations, the County is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to thirty years after closure. The County recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity used during the period.

**12. Allowance for Uncollectible Amounts**

Accounts receivable for the County are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history.

**13. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

**Nonspendable** — The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The not in spendable form criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

**Restricted** — Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

**Committed** — The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of the County. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** — Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balances represent the intended use established by the Board for the remaining amounts that are not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board.

**Unassigned** — Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

## NOTE B – CASH AND INVESTMENTS

At September 30, 2021, the bank held deposits of \$168,670,289 (before outstanding checks and deposits in transit) consisting of amounts held in checking, savings, money market or time deposit accounts. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida.

The County's cash and cash equivalents consist of cash and short-term investments with original maturities of three months or less from the date of acquisition.

Pursuant to Florida Statutes Section 218.415, the County adopted an investment policy which outlines the County's investment responsibilities, objectives, and policies. The County's investment policy authorizes the County to invest in the following:

- a. The Local Government Surplus Funds Trust Fund (SBA) (Maximum of 75%)\*;
- b. Florida Local Government Investment Trust (FLGIT) (State Investment Trust) (100% allowed)\*;
- c. Qualified money market mutual funds (Maximum of 50%)\*;
- d. U.S. Treasury bills, notes and bonds (100% allowed);
- e. Obligations guaranteed by the U.S. Government as to principal and interest such as obligations of the Government National Mortgage Association (GNMA) (Maximum of 5%)\*;
- f. Non-callable Government Agency securities (Maximum of 25%)\*:
  - i. Federal Farm Credit Bank (FFCB),
  - ii. Federal Home Loan Mortgage Corporation (FHLMC),
  - iii. Federal Home Loan Bank (FHLB),
  - iv. Federal National Mortgage Association (FNMA).

This classification of government agency securities does not include any mortgage debt of any government agency;
- g. Time deposits and savings accounts in banks or savings and loan associations doing business in Florida (Maximum of 50%)\*;
- h. Repurchase agreements for investments authorized in categories d, e, or f above. (Maximum of 40%)\*

\*To limit the County's concentration of credit risk these are the maximum percentages of the County's total portfolio that can be in each type of investment.

Interest rate risk is limited by no security having a maturity exceeding 2 years. The weighted average to maturity for the portfolio shall be less than 365 days or 1 year. Investments placed with the FLGIT, which typically invests in instruments with maturities of less than 5 years, are exempt from this limitation. The average maturity of investments held in the FLGIT as of September 30, 2021 is 2.10 years.

The FLGIT, also known as Florida Trust, is a local government investment pool created by the Florida Association of Court Clerks and Comptrollers, and the Florida Association of Counties for the purpose of providing public entities with an investment program by providing investment vehicles for funds that can be invested in short- to intermediate-term securities and have returns generally greater than the national average for money market instruments. The fair values of the County's positions in the pool are the same as the value of the pool shares. The Florida Trust offers two separately rated, open-ended, professionally managed funds available only to public entities in Florida.

### The Investment Trust:

A short-term bond fund with an investment portfolio structured to maintain safety of principal and maximize available yield through a balance of quality and diversification. As of September 30, 2021, the Investment Trust managed \$961 million and had a price per share of \$26.90 and a Fitch rating of AA Af. This short-term bond fund invests



**NOTE B – CASH AND INVESTMENTS – Continued**

in U.S. Treasuries and Agency Securities, Mortgages, Commercial Paper, Asset-Backed Securities, and A rated Corporate Securities.

**The Day to Day Fund:**

The Florida Trust Day to Day Fund is a money market product created in response to demand to provide a fiscally conservative diversification option for Florida local governments. Fund features include same day transactions and online account management. The fund is AAAM-rated by Fitch and is governed by the same board and advisory committee that oversees the Investment Trust.

The County’s investments as defined by GASB Statement No. 72 Fair Value Measurement and Application are reported at fair value based on level 1 inputs for quoted prices for identical investments in active markets.

**Schedule of Cash and Investments at September 30, 2021**

	<u>Carrying Amount</u>
<b>Investments:</b>	
Flgit Investment Trust Fund	\$ 12,392,281
<b>Total Investments</b>	<u>12,392,281</u>
<b>Cash:</b>	
Cash in Bank	53,816,247
Day to Day Trust	105,350,391
Petty Cash	4,225
<b>Total Cash</b>	<u>159,170,863</u>
<b>Total Cash and Investments</b>	<u>\$ 171,563,144</u>

Restricted cash and investments typically consist of funds set aside for the payment of debt and funds set aside to ensure assets producing the pledged revenues are repaired and replaced as needed. These assets are restricted since their use is limited by the applicable bond indentures. Other restricted assets consist of funds restricted to the payment of future landfill closure costs.

Restricted cash and investments by category and by fund are as follows:

	<u>Landfill Fund</u>
Landfill escrow	<u>\$ 17,830,657</u>

**NOTE C – DUE FROM OTHER GOVERNMENTAL UNITS**

At September 30, 2021, amounts due from other governmental units were as follows:

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Local Option Sales Tax Fund</u>	<u>Disaster Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>
Federal Government - Grants	\$ 296,573	\$ -	\$ -	\$ 8,413,845	\$ 452,002	\$ 228,003	\$ 9,390,423
State of Florida - Grants	79,549	-	-	1,402,307	4,802,944	-	6,284,800
State of Florida - Taxes	857,024	1,082,321	779,513	-	210,723	-	2,929,581
Local Taxes	388,651	-	-	-	55,642	-	444,293
Other	-	-	-	-	14,401	-	14,401
<b>Total</b>	<u>\$ 1,621,797</u>	<u>\$ 1,082,321</u>	<u>\$ 779,513</u>	<u>\$ 9,816,152</u>	<u>\$ 5,535,712</u>	<u>\$ 228,003</u>	<u>\$ 19,063,498</u>

## NOTE D – INTERFUND TRANSACTIONS

Interfund transactions for the year ended September 30, 2021 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Interfund Transfers in</u>	<u>Interfund Transfers Out</u>
General Fund	\$ 4,716,147	\$ 5,826	\$ 12,246,397	\$ 14,318,447
Road & Bridge Fund	-	-	2,643,843	-
Local Option Sales Tax Fund	-	-	-	809,010
Disaster Fund	-	-	10,608,039	-
Other Capital Projects Fund	-	-	4,692,921	789,364
Nonmajor Governmental Funds	108,267	4,813,588	3,425,002	16,969,261
Landfill Fund	-	-	-	1,103,150
Nonmajor Enterprise Funds	-	5,000	690,565	317,535
<b>Total</b>	<b>\$ 4,824,414</b>	<b>\$ 4,824,414</b>	<b>\$ 34,306,767</b>	<b>\$ 34,306,767</b>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) move unrestricted revenues collected in the general fund to finance various programs in accordance with budgetary authorizations.

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

## NOTE E – RECEIVABLES

	<u>Accounts</u>	<u>Allowance</u>	<u>Leases</u>	<u>Intergov- ernmental</u>	<u>Total</u>
<b>Governmental</b>					
General	\$ 120,726	\$ -	\$ 326,283	\$ 1,621,797	\$ 2,068,806
Road & Bridge	-	-	-	1,082,321	1,082,321
Local Option Sales Tax	-	-	-	779,513	779,513
Disaster	-	-	-	9,816,152	9,816,152
Nonmajor Governmental	654,176	-	-	5,535,712	6,189,888
Self Insurance	43,188	-	-	-	43,188
<b>Subtotal</b>	<b>818,090</b>	<b>-</b>	<b>326,283</b>	<b>18,835,495</b>	<b>19,979,868</b>
<b>Business-type</b>					
Landfill	1,255,087	-	-	-	1,255,087
Nonmajor Enterprise	186,932	(4,804)	-	228,003	410,131
<b>Subtotal</b>	<b>1,442,019</b>	<b>(4,804)</b>	<b>-</b>	<b>228,003</b>	<b>1,665,218</b>
<b>Total</b>	<b>\$ 2,260,109</b>	<b>\$ (4,804)</b>	<b>\$ 326,283</b>	<b>\$ 19,063,498</b>	<b>\$ 21,645,086</b>

## NOTE F – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows (in thousands):

<b>Governmental Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Transfers</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Capital Assets Not Being Depreciated:</b>					
Land	\$ 23,560	\$ 936	\$ -	\$ 57	\$ 24,439
Construction in Progress	27,904	43,173	(2,252)	-	68,825
<b>Total Capital Assets Not Being Depreciated</b>	<b>51,464</b>	<b>44,109</b>	<b>(2,252)</b>	<b>57</b>	<b>93,264</b>
<b>Other Capital Assets:</b>					
Buildings	66,004	619	138	16	66,745
Improvements Other Than Buildings	181,090	10,350	2,127	84	193,483
Machinery and Equipment	71,892	5,890	19	4,772	73,029
<b>Total Capital Assets Being Depreciated</b>	<b>318,986</b>	<b>16,859</b>	<b>2,284</b>	<b>4,872</b>	<b>333,257</b>
<b>Less Accumulated Depreciation For:</b>					
Buildings	54,589	1,074	15	11	55,667
Improvements Other Than Buildings	76,738	5,547	(1)	79	82,205
Machinery and Equipment	45,277	6,886	19	4,479	47,703
<b>Total Accumulated Depreciation</b>	<b>176,604</b>	<b>13,507</b>	<b>33</b>	<b>4,569</b>	<b>185,575</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>142,382</b>	<b>3,352</b>	<b>2,251</b>	<b>303</b>	<b>147,682</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 193,846</b>	<b>\$ 47,461</b>	<b>\$ (1)</b>	<b>\$ 360</b>	<b>\$ 240,946</b>

<b>Business Like Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Transfers</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Capital Assets Not Being Depreciated:</b>					
Land	\$ 1,306	\$ -	\$ -	\$ -	\$ 1,306
Construction in Progress	2,558	4,230	(1,119)	-	5,669
<b>Total Capital Assets Not Being Depreciated</b>	<b>3,864</b>	<b>4,230</b>	<b>(1,119)</b>	<b>-</b>	<b>6,975</b>
<b>Other Capital Assets:</b>					
Buildings	3,909	310	1,119	12	5,326
Improvements Other Than Buildings	42,267	50	-	-	42,317
Machinery and Equipment	3,921	361	(32)	354	3,896
<b>Total Capital Assets Being Depreciated</b>	<b>50,097</b>	<b>721</b>	<b>1,087</b>	<b>366</b>	<b>51,539</b>
<b>Less Accumulated Depreciation For:</b>					
Buildings	2,503	164	-	12	2,655
Improvements Other Than Buildings	21,614	1,485	-	-	23,099
Machinery and Equipment	2,214	267	(32)	304	2,145
<b>Total Accumulated Depreciation</b>	<b>26,331</b>	<b>1,916</b>	<b>(32)</b>	<b>316</b>	<b>27,899</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>23,766</b>	<b>(1,195)</b>	<b>1,119</b>	<b>50</b>	<b>23,640</b>
<b>Business Like Activities Capital Assets, Net</b>	<b>\$ 27,630</b>	<b>\$ 3,035</b>	<b>\$ -</b>	<b>\$ 50</b>	<b>\$ 30,615</b>

**NOTE F – CAPITAL ASSETS – Continued**
**Depreciation Expense Was Charged to Functions As Follows:**
**Governmental Activities:**

General Government	\$ 961,260
Public Safety	5,035,820
Physical Environment	114,282
Transportation	5,214,709
Economic Environment	159,708
Human Services	188,010
Culture and Recreation	1,833,635
<b>Total Governmental Activities Depreciation Expense</b>	<b><u>\$ 13,507,424</u></b>

**Business-type Activities:**

Landfill	1,029,051
Navarre Beach	\$ 487,826
Inspections	28,884
Peter Prince Field	370,337
<b>Total Business-type Activities Depreciation Expense</b>	<b><u>\$ 1,916,098</u></b>

**Construction and Other Contractual Commitments**

The following is a summary of major construction and other contractual commitments outstanding as of September 30, 2021:

<u>Projects</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
<b>Governmental Activities:</b>		
Courthouse Construction	\$ 35,170,290	\$ 9,275,189
Road and Bridge Construction	14,574,568	775,333
Drainage Projects	12,572,088	417,481
Park Construction	5,524,724	1,380,263
<b>Total</b>	<b><u>\$ 67,841,670</u></b>	<b><u>\$ 11,848,266</u></b>
<b>Business-type Activities</b>		
Hangar Construction	\$ 3,242,054	\$ 114,024
Landfill Access Road	\$ 1,564,771	\$ 3,282,643
<b>Total</b>	<b><u>\$ 4,806,825</u></b>	<b><u>\$ 3,396,667</u></b>

## NOTE G – LONG-TERM DEBT

### 1. Changes in Long-Term Debt

Special assessment notes are fully secured by annual assessments made against property owners of the specific area that benefited from the proceeds of the notes. The County has no legal obligation to levy ad valorem taxes or cover the notes in case of default by the property owners. The County does, however, maintain a moral commitment to cover the debt payments until such time as the property owners can make the payments.

The following is a summary of changes in long-term debt for the year.

	Balance October 1, 2020	Additions	Deductions	Balance September 30, 2021	Amount Due Within One Year
<b>Governmental Activities:</b>					
Compensated Absences	\$ 8,555,675	\$ 6,298,382	\$ 6,202,648	\$ 8,651,409	\$ 4,132,712
Claims Payable	3,562,862	2,300,244	1,839,747	4,023,359	650,172
Revenue Bonds	2,600,000	41,500,000	-	44,100,000	2,000,000
General Obligation Notes	1,575,683	-	780,868	794,815	794,815
Revenue Notes	100,000	2,225,000	48,603	2,276,397	239,690
Special Assessment Notes	4,215,549	710,500	447,137	4,478,912	456,111
<b>Total</b>	<b>\$ 20,609,769</b>	<b>\$ 53,034,126</b>	<b>\$ 9,319,003</b>	<b>\$ 64,324,892</b>	<b>\$ 8,273,500</b>
<b>Business-type Activities:</b>					
Compensated Absences	\$ 657,426	\$ 412,446	\$ 441,773	\$ 628,099	\$ 290,206
Landfill Closure Costs	18,636,374	-	4,199,671	14,436,703	18,721
Notes Payable	1,090,588	-	535,020	555,568	555,568
<b>Total</b>	<b>\$ 20,384,388</b>	<b>\$ 412,446</b>	<b>\$ 5,176,464</b>	<b>\$ 15,620,370</b>	<b>\$ 864,495</b>

Compensated absences are liquidated by the general and other governmental funds incurring the expenditure. Claims liabilities are liquidated in the internal service fund.

### 2. Descriptions of Notes

The County has revenue bonds, general obligation notes, revenue notes and special assessment notes payable outstanding at year end. There are no lines of credit issued for the County. The notes payable for the 911 system and the Bernath Place MSBU have clauses making outstanding amounts payable immediately upon default. Otherwise, there are no significant termination events with finance-related consequences or subjective acceleration clauses contained in the County debt issues. All of the County notes payable have been issued as direct borrowings or direct placements.

#### Bonds and Notes Payable At September 30, 2021 Are Comprised of the Following:

##### General Government - Revenue Bonds Payable

\$35,000,000 bond payable to bank for the construction of new judicial center. The bond is due in 15 annual payments of \$2,000,000 to 2,635,300 plus interest paid semiannually at 1.77% with final payment due in 2036, secured by a pledge of non-ad valorem revenues. \$ 35,000,000

\$9,100,000 bond payable to bank for the construction of new connector road. The bond is due in 10 annual payments of \$845,000 to 980,000 plus interest paid semiannually at 1.686% with final payment due in 2032, secured by a pledge of non-ad valorem revenues. 9,100,000

**NOTE G – LONG-TERM DEBT – Continued**
**General Government - General Obligation Notes Payable**

\$5,279,240 note payable to bank for the purchase and installation of equipment for a new 911 system. The note is due in 7 annual payments of \$809,011 including interest at 1.786% with final payment due in 2021. 794,815

**General Government - Revenue Notes Payable**

\$1,825,000 note payable to bank for the acquisition and construction of improvements and equipment for Benny Russell park. The note is due in 40 quarterly payments of \$3,150 to 57,671 including interest at 2.25% with final payment due in 2030, secured by a pledge of non-ad valorem revenues. 1,825,000

\$500,000 special assessment note payable to seller for the acquisition of property in the Santa Rosa County Fire Protection MSBU. The note is due in 60 monthly payments of \$8,746 to \$8,764 including interest at 2% with final payment due in 2026, secured by a pledge of non-ad valorem revenues. 451,397

**General Government - Special Assessment Notes Payable**

\$1,102,518 special assessment note payable to bank for the acquisition and installation of fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 8 annual payments of \$152,062 including interest at 2.24% with final payment due in 2028. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 975,149

\$700,000 special assessment note payable to bank for the acquisition and installation fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 60 quarterly payments of \$9,134 to \$14,526 plus interest at 3.14% with final payment due in 2025. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 232,639

\$710,500 special assessment note payable to bank for the acquisition and installation of fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 96 monthly payments of \$8,132 including interest at 2.33% with final payment due in 2028. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 650,700

\$1,500,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Bernath Place MSBU. The note is due in 80 quarterly payments of \$25,651 including interest at 3.237% with final payment due in 2040. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 1,433,042

\$268,350 special assessment note payable to bank for the construction of certain infrastructure improvements in the Skiwatch Estates MSBU. The note is due in 40 quarterly payments of \$7,625 including interest at 2.56% with final payment due in 2021. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 7,396

\$383,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Little Duck Circle MSBU. The note is due in 32 quarterly payments of \$13,060 including interest at 2.15% with final payment due in 2026. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 224,098

\$1,221,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Ponderosa Drive MSBU. The note is due in 56 quarterly payments of \$25,961 including interest at 2.494% with final payment due in 2032. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 955,888

**Total General Government Notes Payable** \$ 51,650,124



**NOTE G – LONG-TERM DEBT – Continued**

**Proprietary Fund Type - Note Payable**

***Navarre Beach***

\$6,500,000 Utility System Revenue Note, Series 2006 payable to bank for the construction of certain improvements and additions to the Navarre Beach utility system. The note is due in 15 annual payments of \$335,333 to \$555,568 plus interest at 1.955%, adjusted every 3 years, secured by non-ad valorem revenues.

\$ 555,568

**Total Proprietary Fund Type Note Payable**

**\$ 555,568**

**3. 2021 Refunding**

The County Issued Series 2021 Capital Improvement Revenue Refunding bonds to reduce the County’s total debt service payments by \$4.3 million and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$2.4 million.

**4. Pledged Revenues**

Santa Rosa County has pledged certain revenues to repay certain bonds and notes outstanding at September 30, 2021. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amount of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2021.

**NOTE G – LONG-TERM DEBT – Continued**

<b>Governmental Activities</b>	<b>Revenue Pledged</b>	<b>Current Year Total Revenue</b>	<b>Pledged Outstanding Principal &amp; Interest</b>	<b>Estimated Revenue Percentage Pledged</b>	<b>Principal &amp; Interest Paid</b>	<b>Maturity Calendar Year</b>
<b>Special Assessment Notes</b>						
Fire Protection MSBU Revenue Note, Series 2020	Special Assessments	152,065	1,064,457	100%	152,065	2028
Fire Protection MSBU Revenue Note, Series 2010-b	Special Assessments	60,668	249,416	100%	60,668	2025
Bernath Place MSBU Revenue Note, Series 2020	Special Assessments	102,603	1,924,573	100%	102,603	2040
Skiwatch Estates Canal Maintenance Dredging MSBU Revenue Note, Series 2011	Special Assessments	See Below	7,444	0%	30,502	2021
Little Duck Circle MSBU Revenue Note, Series 2018	Special Assessments	50,069	235,692	96%	52,241	2026
Ponderosa Drive MSBU Revenue Note, Series 2018	Special Assessments	103,844	1,091,365	100%	103,844	2032
Fire Protection MSBU Revenue Note, Series 2021	Special Assessments	73,188	708,568	100%	73,188	2028
<b>Revenue Notes</b>						
Benny Russell Project Capital Improvement Revenue Note, Series 2020	Non-Ad Valorem Revenues	34,348	2,018,489	100%	34,348	2030
Fire Protection MSBU Revenue Note, Series 2021	Non-Ad Valorem Revenues	52,584	472,427	100%	52,584	2026
<b>Total Notes - Governmental Activities</b>		<b>\$ 629,369</b>	<b>\$ 7,772,431</b>		<b>\$ 662,043</b>	
<b>Revenue Bonds</b>						
Courthouse Project Capital Improvement Revenue Refunding Bond, Series 2021	Non-Ad Valorem Revenues	\$ 318,083	\$ 44,420,131	100%	318,083	2040
Pea Ridge Connector Project Capital Improvement Revenue Bond, Series 2021	Non-Ad Valorem Revenues	\$ -	\$ 10,118,345	0%	-	2032
<b>Total Bonds - Governmental Activities</b>		<b>\$ 318,083</b>	<b>\$ 54,538,476</b>		<b>\$ 318,083</b>	
<b>Business-type Activities</b>	<b>Revenue Pledged</b>	<b>Current Year Total Revenue</b>	<b>Pledged Outstanding Principal &amp; Interest</b>	<b>Estimated Revenue Percentage Pledged</b>	<b>Principal &amp; Interest Paid</b>	<b>Maturity Calendar Year</b>
<b>Revenue Bonds</b>						
Utility Service Revenue Note, Series 2007	Navarre Beach Operations	\$ 551,349	\$ 566,580	100%	551,349	2021
<b>Total Revenue Notes - Business-type Activities</b>		<b>\$ 551,349</b>	<b>\$ 566,580</b>		<b>\$ 551,349</b>	

Note on Skiwatch Estates Canal Maintenance Dredging - Sufficient funds have already been assessed and collected to cover debt service.

**NOTE G – LONG-TERM DEBT – Continued**

**5. Debt Service Requirements**

The annual requirements to amortize all notes outstanding at September 30, 2021 are as follows:

**Governmental activities:**

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	2,984,816	1,231,018	4,215,834
2023	3,083,364	1,160,558	4,243,922
2024	3,155,276	1,098,938	4,254,214
2025	3,224,117	1,015,007	4,239,124
2026	3,175,629	940,305	4,115,934
2026-2030	15,494,861	3,605,000	19,099,861
2031-2035	11,310,341	1,933,079	13,243,420
2036-2040	9,221,720	495,889	9,717,609
<b>Total</b>	<b>\$ 51,650,124</b>	<b>\$ 11,479,794</b>	<b>\$ 63,129,918</b>

**Business-type activities:**

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	555,568	11,012	566,580
<b>Total</b>	<b>\$ 555,568</b>	<b>\$ 11,012</b>	<b>\$ 566,580</b>

**NOTE H – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

State and federal laws and regulations require the County to place a final cover on its landfill sites when the landfill stops accepting waste and to perform certain maintenance and monitoring functions at sites for thirty years after closure. Although closure and postclosure care costs are paid only near or after the date that a landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$14.4 million reported as landfill closure and postclosure care liability (current and noncurrent) at September 30, 2021, represents the cumulative amount reported to date based on the following percentage usage of the estimated capacity of each of the County's landfills:

Central Class I Landfill	28%
Central Class III Landfill (New)	59%
Central Class III Landfill (Old)	Closed 10/98

The estimated cost of post closure care for the Central Class III (Old) landfill has been recognized in prior years with any changes in estimates being recorded in the current year. The County will recognize the remaining estimated cost of closure and postclosure care for the Central Class I and Class III (New) landfills in the amount of \$21.1 million as their remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2021. The estimated remaining lives of the Central Class I and Class III landfills are 9 and 15 years, respectively. Cost of closure and life estimates are based on the areas currently in use, and not on potential areas of expansion. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. At September 30, 2021, the County held cash and investments of \$17,830,657 to cover the escrow requirement of \$17,830,657. These cash and investments are reported as restricted assets in these financial statements. The County expects that future inflation costs will be paid from interest earnings on these restricted cash and investments and from charges to future landfill users or future tax revenue.

## NOTE I – COMMITMENTS AND CONTINGENCIES

### 1. Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the County.

### 2. Federal and State Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

## NOTE J – PENSION AND HEALTH INSURANCE SUBSIDY

### 1. Retirement Plan

**Participation** – Employees of the County participate in the Florida Retirement System, a cost-sharing multiple-employer retirement system, established by Chapter 121, Florida Statutes. Participation is compulsory for full-time and part-time employees working in regularly established positions. Elected officials may elect not to participate in the system. Eligible employees may elect to participate in the Deferred Retirement Option Program (DROP), deferring receipt of retirement benefits while continuing employment with a Florida Retirement System employer.

**Benefit Provisions** – The Florida retirement system offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a defined benefit plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Normal retirement benefits are available to employees who retire at age 62 or 65 (depending on hire date) with 6 or 8 (depending on hire date) or more years of service, or to those employees who have at least 30 or 33 (depending on hire date) years of creditable service, regardless of age. Retirement age and years of service requirements may vary depending on membership class. Early retirement is available after 6 years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation, and years-of-service credit where average compensation is computed as the average of an individual's five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) highest years of earnings.

The FRS Investment Plan is a defined contribution plan in which participants are vested after one year of service. The employer makes contributions each month based on a percentage of the employees gross salary and membership class. The contribution percentage is the same whether participating in the Pension Plan or Investment Plan. Members in the Investment Plan decide how their funds are allocated between various investment accounts and the funds are portable upon termination if the participant is vested. Members in the investment plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

For DROP participants, the deferred monthly benefit plus interest compounded monthly, accrues for the specified period of the DROP participation. Upon retirement, the participant receives the total accumulated DROP benefits and begins to receive current benefits at the previously determined rate.

**Contributions** – Chapter 121 requires the employer to pay contributions based upon state-wide rates established by the State of Florida. Employees contribute 3% of their salary. During 2021, the County contributed an average of 10.21% of each qualified regular employee's gross salary, 49.74% percent of the elected officials salary, 24.89% of each special risk employee's salary, and 17.32% for each DROP participant. The Country's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contribution requirements for the year. The Country's contributions to the Investment Plan were equal to the legislatively mandated contribution rates, which are equal to a percentage of the members gross monthly salary based on membership class. Contributions to the Investment plan totaled \$1,474,052, \$1,010,893, and \$899,405 for the years ended September 30, 2021, 2020 and 2019, respectively. Contributions to the Pension plan totaled \$7,341,877, \$7,448,885, and \$6,561,808 for the years ended September 30, 2021, 2020 and 2019, respectively.

**NOTE J – PENSION AND HEALTH INSURANCE SUBSIDY – Continued**

**Financial Report of the Plan** – The Florida Retirement System issues a stand-alone financial report. A copy can be obtained by contacting the State of Florida, Division of Retirement, Tallahassee, Florida.

**Health Insurance Subsidy Pension Plan**

**Plan Description.** The Health Insurance Subsidy Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

**Benefits Provided.** For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**Contributions.** The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2021, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statutes. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Country’s contributions to the HIS Plan totaled \$836,395 for the fiscal year ended September 30, 2021.

**2. Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

At September 30, 2021, the County reported a liability of \$32,566,054 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined from an actuarial valuation as of July 1. The County’s proportion of the net pension liability was based on the County’s 2020-21 fiscal year contributions relative to the 2020-21 fiscal year contributions of all participating members. At June 30, 2021, the Country’s change in proportion was a decrease from its proportion measured as of June 30, 2020. The following table presents the information on the County’s proportionate share of the FRS and HIS:

	<u>FRS</u>	<u>HIS</u>	<u>Total</u>
Proportionate share of Net Pension Liability at September 30, 2020	\$ 14,526,590	\$ 18,039,464	\$ 32,566,054
County’s proportion at June 30, 2021	0.1923067592%	0.1470628042%	
County’s proportion at June 30, 2020	0.2046801490%	0.1451437871%	
Change in proportion during current year	-0.0123733899%	0.0019190171%	

**NOTE J – PENSION AND HEALTH INSURANCE SUBSIDY – Continued**

For the fiscal year ended September 30, 2021, the County recognized pension income of \$6,567,339. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	FRS		HIS		County Total
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflow (Deferred Inflow)
Differences Between Expected and Actual Experience	\$ 2,489,881	\$ -	\$ 603,645	\$ 7,556	\$ 3,085,970
Change of Assumptions	9,939,813	-	1,417,497	743,272	10,614,038
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	-	50,679,619	18,806	-	(50,660,813)
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	4,338,584	4,441,837	1,512,970	213,029	1,196,688
County Contributions Subsequent to the Measurement Date	2,011,494	-	220,817	-	2,232,311
<b>Total</b>	<b>\$ 18,779,772</b>	<b>\$ 55,121,456</b>	<b>\$ 3,773,735</b>	<b>\$ 963,857</b>	<b>\$ (33,531,806)</b>

The deferred outflows of resources related to pensions, totaling \$2,232,311, resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	FRS		HIS		County Total
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflow (Deferred Inflow)
2022	\$ (6,516,462)	\$ 620,273	\$ (5,896,189)		
2023	(7,673,098)	398,952	(7,274,146)		
2024	(10,270,784)	528,665	(9,742,119)		
2025	(13,500,497)	573,749	(12,926,748)		
2026	(392,340)	388,330	(4,010)		
Thereafter	-	79,093	79,093		
<b>Total</b>	<b>\$ (38,353,181)</b>	<b>\$ 2,589,062</b>	<b>\$ (35,764,119)</b>		

**Actuarial Assumptions** — The total pension liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**FRS**

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation

**HIS**

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	2.16%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.



**NOTE J – PENSION AND HEALTH INSURANCE SUBSIDY – Continued**

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate (Property)	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
<b>Total</b>	<b>100%</b>			
Assumed Inflation - Mean			2.4%	1.2%

\* As outlined in the Plan’s investment policy

**Discount Rate** – The discount rate used to measure the total FRS pension liability was 6.80%. The FRS 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. For the HIS plan, the discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

**Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

– The following presents the County’s proportionate share of the net pension liability calculated using the discount rate for the respective plans, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

FRS Net Pension Liability			HIS Net Pension Liability		
Current			Current		
1% Decrease	Discount Rate	1% Increase	1% Decrease	Discount Rate	1% Increase
(5.80%)	(6.80%)	(7.80%)	(1.16%)	(2.16%)	(3.16%)
\$ 64,963,884	\$ 14,526,590	\$ (27,633,332)	\$ 20,855,368	\$ 18,039,464	\$ 15,732,461

Detailed information about the pension plan’s fiduciary net position is available in the separately issued FRS financial report.

**NOTE K – FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below.

Fund Balances	Major Funds							Total
	General Fund	Road and Bridge Fund	Lost Fund	Disaster	American Rescue Plan	Other Capital Projects	Other Funds	
<b>Nonspendable</b>								
Inventory	\$ 92,746	\$ 244,831	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337,577
<b>Restricted For:</b>								
Communications	679,312	-	-	-	-	-	-	679,312
Partners for Pets	13,554	-	-	-	-	-	-	13,554
Drivers Education	365,487	-	-	-	-	-	-	365,487
Boating Improvement	292,608	-	-	-	-	-	-	292,608
Domestic Violence	244,536	-	-	-	-	-	-	244,536
Pollworker Recruitment	1,887	-	-	-	-	-	-	1,887
Voter Education	69	-	-	-	-	-	-	69
Navarre Beach Bridge Maintenance	-	331,527	-	-	-	-	-	331,527
Infrastructure Development	-	-	12,295,755	-	-	-	488,170	12,783,925
Law Enforcement Trust Fund	-	-	-	-	-	-	35,951	35,951
Crime Prevention	-	-	-	-	-	-	544,672	544,672
Federal Seizure Funds	-	-	-	-	-	-	120,514	120,514
Mosquito Control	-	-	-	-	-	-	128,632	128,632
Federal and State Grants	-	-	-	-	1,829	-	-	1,829
Enhanced 911 System	-	-	-	-	-	-	555,645	555,645
Tourist Development	-	-	-	-	-	-	4,616,388	4,616,388
State Housing Improvement Program	-	-	-	-	-	-	993,010	993,010
Disaster Relief	-	-	-	14,757,582	-	-	-	14,757,582
Fire Prevention and Control	-	-	-	-	-	-	324,563	324,563
Road and Sewer Construction	-	-	-	-	-	-	944,153	944,153
Canal Maintenance	-	-	-	-	-	-	196,306	196,306
Beach Restoration	-	-	-	-	-	-	18,677	18,677
State Court Operations	-	-	-	-	-	-	286	286
Court Equipment and Technology	-	-	-	-	-	-	936,247	936,247
Records Modernization	-	-	-	-	-	-	-	-
Trust Fund	-	-	-	-	-	-	920,918	920,918
Law Enforcement Training	-	-	-	-	-	-	115,362	115,362
Inmate Welfare Purchases	-	-	-	-	-	-	718,078	718,078
<b>Committed To:</b>								
Animal Service Education	50,961	-	-	-	-	-	-	50,961
Court Innovations	-	-	-	-	-	-	491,742	491,742
Transportation, Recreation and Economic Development	-	-	-	-	-	-	1,457,692	1,457,692
Capital Construction Projects	-	-	-	-	-	13,606,692	-	13,606,692
<b>Assigned To:</b>								
Road and Bridge Construction and Maintenance	-	4,170,555	-	-	-	-	-	4,170,555
Debt Service	-	-	-	-	-	-	78,779	78,779
Berm Restoration	5,323,442	-	-	-	-	-	-	5,323,442
Law Library	-	-	-	-	-	-	23,583	23,583
Court Operations	-	-	-	-	-	-	610,875	610,875
Navarre Beach Community Center	215,000	-	-	-	-	-	-	215,000
Unassigned	40,117,694	-	-	-	-	-	(188,418)	39,929,276
<b>Total</b>	<b>\$ 47,397,296</b>	<b>\$ 4,746,913</b>	<b>\$ 12,295,755</b>	<b>\$ 14,757,582</b>	<b>\$ 1,829</b>	<b>\$ 13,606,692</b>	<b>\$14,131,824</b>	<b>\$106,937,891</b>

**NOTE L – RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1986 the County established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program the County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Boats
- Employee Fidelity
- Buildings and Contents, \$5,000 deductible
- General Liability, \$25,000 deductible
- Public Officials Liability, \$25,000 deductible

Conventional insurance remains in effect for buildings, contents and Sheriffs general, automobile and professional liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Board of County Commissioners and other County elected officials participate in the program and make payments to the Self Insurance Fund based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$4,023,359 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Liabilities for incurred losses to be settled by fixed or reasonably determined payments over a long period of time are reported at their present value using an expected future investment yield assumption of 3.9 — 7 percent. These liabilities are reported at their present value of \$222,275 at September 30, 2021.

Changes in the Fund’s claims liability amount in fiscal years 2020 and 2021 were as follows:

Period	Beginning-of-Fiscal-year Liability	Current-year Claims and Changes in Estimates	Claim Payments	Balance At Fiscal Year-end
2019 - 2020	\$ 3,328,736	\$ 1,772,009	\$ 1,537,883	\$ 3,562,862
2020 - 2021	\$ 3,562,862	\$ 2,300,244	\$ 1,839,747	\$ 4,023,359

The following table presents a summary of the claims payable liability at year end:

Current claims payable	\$ 631,210
Current claims-structured settlements	18,962
<b>Total claims payable, current</b>	<b>650,172</b>
Long-term claims payable	3,186,984
Long-term claims-structured settlements	186,203
<b>Total claims payable, long-term</b>	<b>3,373,187</b>
<b>Total claims payable</b>	<b>\$ 4,023,359</b>

**NOTE L – RISK MANAGEMENT – Continued**

The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage, excluding the Sheriff. The County pays an annual premium as a participant of the pooled liability program. During 1994, the first year of participation, the County paid an extraordinary loss fund payment of \$249,886. The liability coverage is not designed to be assessable; however, should the pool fail to meet its obligations, the County may be required to contribute additional funds or cover its own obligations. No accrual for future assessments has been recorded in the financial statements as such assessments do not appear probable based on past experience of the pool, and experience of the pool subsequent to the County's fiscal year end through the date of these financial statements. In the event the County elected to terminate its participation in the pool, the extraordinary loss fund payment would be refunded to the County, given adequate funding of the pool.

**NOTE M – POST EMPLOYMENT HEALTH CARE BENEFITS**

**Plan Description** – Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the County and eligible dependents, may continue to participate in the County's purchased health and hospitalization insurance coverage (the Plan) at the same group rate as for active employees and participating retirees are required to reimburse the County 100% of the health insurance premium a month in advance. The Plan is a single-employer plan. The County subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The County also provides an insurance subsidy for employees with at least 10 years (8 years elected) creditable service. The subsidy pays \$3 per year of service limited to the individual's premium payment up to a maximum of \$90 per month. No stand-alone financial report is issued.

**Funding Policy** – The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) costs or the net OPEB liability. For the 2021 fiscal year, 318 retirees and eligible dependents received postemployment health care benefits. The County provided required contributions of \$259,373 toward the annual OPEB cost, comprised of benefit payments made on behalf of retirees insurance net of retiree contributions totaling \$583,670. Required contributions are based on projected pay-as-you-go financing.

**Net OPEB Liability** – The following table shows the changes in the Country's net OPEB liability:

**Change in Net OPEB Liability**

	Total Opeb Liability (a)	Plan Fiduciary Net Position (b)	Net Opeb Liability (a) - (b)
<b>Balance As of September 30, 2019 for FYE 2020</b>	\$ 8,015,217	\$ -	\$ 8,015,217
Service Cost	409,784	-	409,784
Interest	220,418	-	220,418
Experience Losses/(gains)	(319,155)	-	(319,155)
Contributions	-	259,373	(259,373)
Benefit Payments	(259,373)	(259,373)	-
Changes in Assumptions	(506,981)	-	(506,981)
<b>Net Changes in Opeb Liability</b>	<b>(455,307)</b>	<b>-</b>	<b>(455,307)</b>
<b>Balance As of September 30, 2020 for FYE 2021</b>	<b>\$ 7,559,910</b>	<b>\$ -</b>	<b>\$ 7,559,910</b>
Funded status		0.00%	

## NOTE M – POST EMPLOYMENT HEALTH CARE BENEFITS – Continued

**OPEB Expense** – The following table shows the components of the County’s OPEB expense:

Service Cost		\$ 409,784
Interest		220,418
Differences Between Expected and Actual Experience in Current Fiscal Year Recognized in Current Year	(29,014)	
From Past Years Recognized in Current Year	(72,273)	
<b>Total</b>		<b>(101,287)</b>
Changes in Assumptions in Current Fiscal Year Recognized in Current Year	(46,089)	
From Past Years Recognized in Current Year	24,689	
<b>Total</b>		<b>(21,400)</b>
<b>Total Opeb Expense</b>		<b>\$ 507,515</b>

### **Sensitivity of Total OPEB Liability**

The following table presents the County’s Total OPEB liability, as well as what the County’s Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Discount Rate	1% Decrease (1.41%)	Current Discount Rate (2.41%)	1% Increase (3.41%)
Total OPEB Liability	\$ 8,544,006	\$ 7,559,910	\$ 6,716,602

The following table presents the County’s Total OPEB liability, as well as what the County’s Total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Ultimate Trend	1% Decrease (3.00%)	Current Medical Trend (4.00%)	1% Increase (5.00%)
Total OPEB Liability	\$ 7,391,573	\$ 7,559,910	\$ 7,766,752

**Deferred Inflows/Outflows of Resources related to OPEB** – For the fiscal year ended September 30, 2021, the County recognized an OPEB expense of \$507,515,515. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 796,049
Change of Assumptions	780,390	891,610
<b>Total</b>	<b>\$ 780,390</b>	<b>\$ 1,687,659</b>

The deferred outflows of resources related to OPEB, totaling \$0, resulting from County contributions to the OPEB Plan subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows:

**NOTE M – POST EMPLOYMENT HEALTH CARE BENEFITS – Continued**

<u>Fiscal Year Ending September 30,</u>	<u>Amount</u>
2022	\$ (122,687)
2023	(122,687)
2024	(122,687)
2025	(122,687)
2026	(122,690)
Thereafter	(293,831)
<b>Total</b>	<b><u>\$ (907,269)</u></b>

**Actuarial Methods and Assumptions** – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends.

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The County's OPEB actuarial valuation as of October 1, 2020, used the entry age normal actuarial cost method to estimate the net OPEB liability as of September 30, 2021 as required by GASB Statement 75. The discount rate used to determine the liability under GASB 75 is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. This rate was 2.75% as of September 30, 2020. The inflation rate assumption is 2.4%. The salary scale assumption used was the Florida Retirement System salary scale assumption of 3.25%.

The required schedules of changes in net OPEB liability and plan fiduciary net position, immediately following the notes, presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the net OPEB liability.

**NOTE N – UNEARNED REVENUE**

The American Rescue Plan grant does not require the County to hold unspent funds in a separate bank account. The unspent monies are not earned so they are not a component of net position at the fund or government-wide level. Since the terms of the grant require the funds to be expended within a set number of years and unspent funds are not considered restricted assets of the government unit, the County does not consider presentation of the unspent monies as restricted assets necessary as of September 30, 2021.

**NOTE O – PRIOR PERIOD ADJUSTMENTS**

For the year ended September 30, 2021, the County implemented GASB Statement No. 84, Fiduciary Activities. With the implementation, the County is required to record the beginning net position of custodial funds. The beginning net position of the combined fiduciary funds has been restated by approximately \$7 million to reflect the new guidance.

For the year ended September 30, 2021, the County has restated the beginning fund balance for the Road and Bridge Fund to correct approximately \$1.1 million of grant revenue which was overstated in the prior year.





**Required  
Supplemental  
Information**

## Schedule of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual General Fund Year ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 66,120,940	\$ 66,120,940	\$ 67,920,968	\$ 1,800,028
Permits, Fees and Special Assessments	263,870	263,870	577,158	313,288
Intergovernmental	11,846,225	12,594,861	18,811,192	6,216,331
Charges for Services	9,569,459	9,732,721	11,186,563	1,453,842
Fines and Forfeits	346,955	346,955	342,831	(4,124)
Miscellaneous	1,786,856	1,874,583	2,434,077	559,494
<b>Total Revenues</b>	<b>89,934,305</b>	<b>90,933,930</b>	<b>101,272,789</b>	<b>10,338,859</b>
<b>Expenditures</b>				
Current				
General Government	33,775,170	39,155,004	29,333,269	9,821,735
Public Safety	54,951,035	57,684,170	55,903,411	1,780,759
Physical Environment	2,849,700	3,736,725	2,604,009	1,132,716
Transportation	1,019,705	1,587,236	1,524,473	62,763
Economic Environment	989,495	1,081,899	1,001,449	80,450
Human Services	5,723,300	8,394,765	6,773,036	1,621,729
Culture and Recreation	4,054,130	4,283,859	3,801,878	481,981
<b>Total Expenditures</b>	<b>103,362,535</b>	<b>115,923,658</b>	<b>100,941,525</b>	<b>14,982,133</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(13,428,230)</b>	<b>(24,989,728)</b>	<b>331,264</b>	<b>25,320,992</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	6,968,635	10,921,860	12,246,397	1,324,537
Transfers Out	(1,075,205)	(14,318,447)	(14,318,447)	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,893,430</b>	<b>(3,396,587)</b>	<b>(2,072,050)</b>	<b>1,324,537</b>
<b>Net Change in Fund Balances</b>	<b>(7,534,800)</b>	<b>(28,386,315)</b>	<b>(1,740,786)</b>	<b>26,645,529</b>
Fund Balance, Beginning of Year	7,534,800	28,386,315	49,138,082	20,751,767
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 47,397,296</b>	<b>\$ 47,397,296</b>

**Schedule of Revenues, Expenditures And  
Changes In Fund Balance - Budget And Actual  
Road And Bridge Fund  
Year ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 6,916,280	\$ 6,916,280	\$ 8,276,800	\$ 1,360,520
Intergovernmental	3,781,625	4,603,404	3,424,634	(1,178,770)
Charges for Services	40,950	40,950	10,538	(30,412)
Miscellaneous	473,815	473,815	554,796	80,981
<b>Total Revenues</b>	<b>11,212,670</b>	<b>12,034,449</b>	<b>12,266,768</b>	<b>232,319</b>
<b>Expenditures</b>				
Current				
Physical Environment	-	1,996,444	1,871,561	124,883
Transportation	14,820,155	17,384,540	11,924,693	5,459,847
<b>Total Expenditures</b>	<b>14,820,155</b>	<b>19,380,984</b>	<b>13,796,254</b>	<b>5,584,730</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(3,607,485)</b>	<b>(7,346,535)</b>	<b>(1,529,486)</b>	<b>5,817,049</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,926,740	2,643,843	2,643,843	-
<b>Total Other Financing Sources (Uses)</b>	<b>1,926,740</b>	<b>2,643,843</b>	<b>2,643,843</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(1,680,745)</b>	<b>(4,702,692)</b>	<b>1,114,357</b>	<b>5,817,049</b>
Fund Balance, Beginning of Year, Restated	1,680,745	4,702,692	3,632,556	(1,070,136)
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,746,913</b>	<b>\$ 4,746,913</b>

**Schedule of Revenues, Expenditures And  
 Changes In Fund Balance - Budget And Actual  
 Local Option Sales Tax Fund  
 Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 7,329,220	\$ 7,329,220	\$ 11,533,480	\$ 4,204,260
Miscellaneous	-	-	4,218	4,218
<b>Total Revenues</b>	<b>7,329,220</b>	<b>7,329,220</b>	<b>11,537,698</b>	<b>4,208,478</b>
<b>Expenditures</b>				
Current				
General Government	3,842,210	3,886,057	654,949	3,231,108
Public Safety	528,000	884,707	708,848	175,859
Physical Environment	-	1,938,904	70,629	1,868,275
Transportation	1,125,000	3,723,578	1,950,639	1,772,939
Culture and Recreation	1,025,000	1,968,138	1,057,849	910,289
<b>Total Expenditures</b>	<b>6,520,210</b>	<b>12,401,384</b>	<b>4,442,914</b>	<b>7,958,470</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>809,010</b>	<b>(5,072,164)</b>	<b>7,094,784</b>	<b>12,166,948</b>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(809,010)	(809,010)	(809,010)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(809,010)</b>	<b>(809,010)</b>	<b>(809,010)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(5,881,174)</b>	<b>6,285,774</b>	<b>12,166,948</b>
Fund Balance, Beginning of Year	-	5,881,174	6,009,981	128,807
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,295,755</b>	<b>\$ 12,295,755</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Disaster Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 10,617,051	\$ 10,617,051
Miscellaneous	-	-	68	68
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>10,617,119</u>	<u>10,617,119</u>
<b>Expenditures</b>				
Current				
Public Safety	-	15,595,502	9,955,292	5,640,210
<b>Total Expenditures</b>	<u>-</u>	<u>15,595,502</u>	<u>9,955,292</u>	<u>5,640,210</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>(15,595,502)</u>	<u>661,827</u>	<u>16,257,329</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	10,608,039	10,608,039	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>10,608,039</u>	<u>10,608,039</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>(4,987,463)</u>	<u>11,269,866</u>	<u>16,257,329</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>4,987,463</u>	<u>3,487,716</u>	<u>3,487,716</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,757,582</u>	<u>\$ 14,757,582</u>

**Schedule of Revenues, Expenditures And  
 Changes In Fund Balance - Budget And Actual  
 American Rescue Plan Fund  
 Year ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 17,900,320	\$ 98,231	\$ (17,802,089)
Miscellaneous	-	-	1,829	1,829
<b>Total Revenues</b>	<b>-</b>	<b>17,900,320</b>	<b>100,060</b>	<b>(17,800,260)</b>
<b>Expenditures</b>				
General Government	-	17,900,320	98,231	17,802,089
<b>Total Expenditures</b>	<b>-</b>	<b>17,900,320</b>	<b>98,231</b>	<b>17,802,089</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>1,829</b>	<b>1,829</b>
Fund Balance, Beginning of Year	-	-	-	-
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,829</b>	<b>\$ 1,829</b>



**Schedule of Revenues, Expenditures And  
Changes In Fund Balance - Budget And Actual  
Other Capital Projects Fund  
Year ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 600,000	\$ 200,000	\$ (400,000)
Miscellaneous	-	-	12,516	12,516
<b>Total Revenues</b>	<b>-</b>	<b>600,000</b>	<b>212,516</b>	<b>(387,484)</b>
<b>Expenditures</b>				
General Government	-	194,749	72,653	122,096
Culture and Recreation	-	2,557,135	-	2,557,135
Capital Outlay	-	46,719,515	33,945,647	12,773,868
<b>Total Expenditures</b>	<b>-</b>	<b>49,471,399</b>	<b>34,018,300</b>	<b>15,453,099</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>(48,871,399)</b>	<b>(33,805,784)</b>	<b>15,065,615</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	4,692,921	4,692,921	-
Transfers Out	(750,000)	(789,364)	(789,364)	-
Other Financing Uses	-	-	(87,500)	87,500
Proceeds of Long-term Debt Issuance	-	41,332,500	43,225,000	(1,892,500)
<b>Total Other Financing Sources (Uses)</b>	<b>(750,000)</b>	<b>45,236,057</b>	<b>47,041,057</b>	<b>(1,805,000)</b>
<b>Net Change in Fund Balances</b>	<b>(750,000)</b>	<b>(3,635,342)</b>	<b>13,235,273</b>	<b>13,260,615</b>
Fund Balance, Beginning of Year	750,000	3,635,342	371,419	(3,263,923)
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,606,692</b>	<b>\$ 13,606,692</b>

### Schedule of Proportionate Share of Net Pension Liability Florida Retirement System Last 10 Fiscal Years\*

	2021	2020	2019	2018	2017	2016	2015	2014
Santa Rosa County's Proportion of the Net Pension Liability (Asset)	0.1923068%	0.2046801%	0.1955403%	0.1830653%	0.1807210%	0.1798519%	0.1770031%	0.1700709%
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset)	\$ 14,526,590	\$ 88,711,393	\$ 67,341,361	\$ 55,140,232	\$ 53,456,063	\$ 45,412,751	\$ 22,862,319	\$ 10,376,824
Santa Rosa County's Covered Payroll	\$ 53,020,919	\$ 51,902,491	\$ 47,286,528	\$ 42,962,825	\$ 41,063,802	\$ 39,821,770	\$ 40,091,164	\$ 37,602,391
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset) As a Percentage of Its Covered Payroll	27.40%	170.92%	142.41%	128.34%	130.18%	114.04%	57.03%	27.60%
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

\*Data was unavailable prior to 2014

**Schedule of Contributions  
Florida Retirement System  
Last 10 Fiscal Years\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 7,326,057	\$ 6,800,614	\$ 6,063,160	\$ 5,217,215	\$ 4,704,612	\$ 4,385,976	\$ 4,315,479	\$ 3,725,277
Contributions in Relation to the Contractually Required Contribution	\$ (7,326,057)	\$ (6,800,614)	\$ (6,063,160)	\$ (5,217,215)	\$ (4,704,612)	\$ (4,385,976)	\$ (4,315,479)	\$ (3,725,277)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Santa Rosa County's Covered Payroll	\$ 53,243,045	\$ 52,745,830	\$ 48,472,434	\$ 43,196,946	\$ 41,328,034	\$ 39,966,760	\$ 40,683,002	\$ 38,301,106
Contributions As a Percentage of Covered Payroll	13.76%	12.89%	12.51%	12.08%	11.38%	10.97%	10.61%	9.73%

\*Data was unavailable prior to 2014

### Schedule of Proportionate Share of Net Pension Liability Health Insurance Subsidy Program Last 10 Fiscal Years\*

	2021	2020	2019	2018	2017	2016	2015	2014
Santa Rosa County's Proportion of the Net Pension Liability (Asset)	0.1470628%	0.1451438%	0.1385028%	0.1298831%	0.1270599%	0.1272274%	0.1301442%	0.1262288%
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset)	\$ 18,039,464	\$ 17,721,820	\$ 15,497,077	\$ 13,746,976	\$ 13,585,836	\$ 14,827,824	\$ 13,272,657	\$ 11,802,701
Santa Rosa County's Covered Payroll	\$ 53,020,919	\$ 51,902,491	\$ 47,286,528	\$ 42,962,825	\$ 41,063,802	\$ 39,821,770	\$ 40,091,164	\$ 37,602,391
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset) As a Percentage of Its Covered Payroll	34.02%	34.14%	32.77%	32.00%	33.08%	37.24%	33.11%	31.39%
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

\*Data was unavailable prior to 2014

**Schedule of Contributions  
Health Insurance Subsidy Program  
Last 10 Fiscal Years\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 864,436	\$ 836,395	\$ 769,092	\$ 704,358	\$ 672,437	\$ 652,122	\$ 497,492	\$ 432,418
Contributions in Relation to the Contractually Required Contribution	\$ (864,436)	\$ (836,395)	\$ (769,092)	\$ (704,358)	\$ (672,437)	\$ (652,122)	\$ (497,492)	\$ (432,418)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Santa Rosa County's Covered Payroll	\$ 53,243,045	\$ 52,745,830	\$ 48,472,434	\$ 43,196,946	\$ 41,328,034	\$ 39,966,760	\$ 40,683,002	\$ 38,301,106
Contributions As a Percentage of Covered Payroll	1.62%	1.59%	1.59%	1.63%	1.63%	1.63%	1.22%	1.13%

\*Data was unavailable prior to 2014

### Schedule of Changes In Total Liability And Related Ratios Other Post-Employment Benefit Plan Last 10 Fiscal Years\*

<b>Total OPEB Liability</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Service Cost	\$ 409,784	\$ 314,183	\$ 330,066	\$ 344,631
Interest Cost	220,418	252,494	256,104	228,459
Differences Between Expected and Actual Experience	(319,155)	-	(722,727)	-
Changes of Assumptions	(506,981)	975,488	(332,063)	(356,889)
Benefit Payments	(259,373)	(238,969)	(273,218)	(264,000)
Net Change in Total Opeb Liability	(455,307)	1,303,196	(741,838)	(47,799)
Total OPEB Liability - Beginning of Year	8,015,217	6,712,021	7,453,859	7,501,658
<b>Total OPEB Liability - End of Year</b>	<b>\$ 7,559,910</b>	<b>\$ 8,015,217</b>	<b>\$ 6,712,021</b>	<b>\$ 7,453,859</b>
Contributions - Employer	\$ 259,373	\$ 238,969	\$ 273,218	\$ 264,000
Benefit Payments	(259,373)	(238,969)	(273,218)	(264,000)
Net Change in Fiduciary Net Position	-	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-	-
<b>Fiduciary Net Position - End of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net OPEB Liability	7,559,910	8,015,217	6,712,021	7,453,859
<b>Fiduciary Net Position As a % of Total OPEB Liability</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
Covered-employee Payroll	\$ 52,745,830	\$ 48,472,434	\$ 43,196,946	\$ 41,328,034
<b>Net OPEB Liability As a % of Covered-employee Payroll</b>	<b>14.33%</b>	<b>16.54%</b>	<b>15.54%</b>	<b>18.04%</b>
<b>Expected Average Remaining Service Years of All Participants</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>9</b>

\*Data was unavailable prior to 2018



**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**

September 30, 2021

**Budgetary Information**

Florida Statutes Chapters 129 and 200 govern the preparation, adoption, and administration of the County’s annual budget. The budget must be balanced, i.e., the estimated revenues plus beginning fund balance brought forward must equal appropriations and be prepared on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The County may, at any time within a fiscal year, amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes. The budget officer may authorize certain inter-departmental and interdepartmental budget amendments, provided that the total appropriation of the fund is not changed. All annual appropriations lapse at fiscal year-end.

**Other Post-Employment Benefits**

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

Benefit changes: None  
 Changes of assumptions: The discount rate was changed as follows:

<u>Discount Rate</u>	
9/30/20	2.75%
9/30/21	2.41%





**Combining Individual  
Fund Statements And  
Schedules**

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

***Fine and Forfeiture Fund*** – accounts for fines, forfeitures and various other assessments used for law enforcement purposes.

***State Matching Program Fund*** – accounts for state and local funding used for mosquito and other arthropod control.

***Grants Fund*** – accounts for state and federal funding not associated with any other fund.

***Enhanced 911 Telephone System Fund*** – accounts for funds used to maintain the 911 telephone system.

***Electric Franchise Fee Fund*** – accounts for funds from the Electric Franchise fee.

***Local Option Tourist Tax Fund*** – accounts for tax revenues to be used for tourist development activities.

***Impact Fees Fund*** – accounts for impact fees collected to provide for new infrastructure.

***SHIP (State Housing Initiative Partnership) Fund*** – accounts for state funds received to provide housing assistance to low and middle income families.

***CARES Act Fund*** – Accounts for appropriations from the Federal government of funds under the CARES Act designated for public health and safety expenditures.

***MSBU (Municipal Service Benefit Unit) Fund*** – accounts for special assessments levied against property owners for capital improvements or services rendered for benefit of the affected areas.

***Clerk's Courts Fund*** – accounts for the court related activities of the Clerk of the Court.

***Clerk's Courts Technology Fund*** – accounts for the court technology related activities of the Clerk of the Court.

***Clerk's RMTF (Records Modernization Trust Fund)*** – accounts for fees received that are legally restricted for the modernization of the public records maintained by the Clerk's office.

***Clerk's Child Support Title IV-D accounts*** – for activities related to Title IV-D child support cases. The funding provides assistance to the plaintiff and enforcement of collections through the Office of Child Support Enforcement.

***Sheriff's Grants Fund*** – accounts for federal and state grants received by the Sheriff's department for specific programs. Not budgeted.

***Sheriff's Second Dollar Fund*** – accounts for shared fine revenues which are legally restricted for law enforcement training purposes. Not budgeted.

***Sheriff's Prisoner Recreation Fund*** – accounts for jail commissary and vending machine revenues that are restricted to providing recreational facilities and equipment for prisoners. Not budgeted.

***Sheriff's Local Option Sales Tax Fund*** – accounts for appropriations from the half-cent local option sales tax revenues which are restricted for capital-related purchases and construction projects. Not budgeted.

## NONMAJOR GOVERNMENTAL FUNDS

### Debt Service Fund

**Debt Service Fund** – accounts for the funds used to pay down debt related to governmental funds

### Capital Projects Funds

**District One Capital Projects Fund** – accounts for the construction of sports and recreation facilities in District One.

**District Two Capital Projects Fund** – accounts for the construction of sports and recreation facilities in District Two.

**District Three Capital Projects Fund** – accounts for the construction of sports and recreation facilities in District Three.

**District Four Capital Projects Fund** – accounts for the construction of sports and recreation facilities in District Four.

**District Five Capital Projects Fund** – accounts for the construction of sports and recreation facilities in District Five.

## Combining Balance Sheet Nonmajor Governmental Funds September 30, 2021

Assets	Special Revenue	Debt Service	Total Nonmajor Governmental Funds
Cash and Cash Equivalents	\$ 15,524,326	\$ 19,779	\$ 15,544,105
Receivables, Net of Uncollectibles			
Accounts	654,176	-	654,176
Due From Other Governments	5,535,712	-	5,535,712
Due From Other Funds	19,267	89,000	108,267
<b>Total Assets</b>	<b>\$ 21,733,481</b>	<b>\$ 108,779</b>	<b>\$ 21,842,260</b>
Liabilities			
Accounts Payable	960,689	30,000	990,689
Contracts Payable	743,539	-	743,539
Accrued Wages Payable	265,883	-	265,883
Unearned Revenue	25,827	-	25,827
Due to Other Funds	4,813,588	-	4,813,588
Due to Other Governments	870,910	-	870,910
<b>Total Liabilities</b>	<b>7,680,436</b>	<b>30,000</b>	<b>7,710,436</b>
Fund Balances			
Fund Balances			
Restricted	11,657,571	-	11,657,571
Committed	1,949,434	-	1,949,434
Assigned	634,458	78,779	713,237
Unassigned	(188,418)	-	(188,418)
<b>Total Fund Balances</b>	<b>14,053,045</b>	<b>78,779</b>	<b>14,131,824</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 21,733,481</b>	<b>\$ 108,779</b>	<b>\$ 21,842,260</b>



### Combining Statement of Revenues, Expenditures, And Changes In Fund Balances - Nonmajor Governmental Funds Year Ended September 30, 2021

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$ 5,016,390	\$ -	\$ -	\$ 5,016,390
Licenses and Permits	11,998,051	-	-	11,998,051
Intergovernmental	22,122,659	-	-	22,137,191
Charges for Services	5,738,309	-	-	5,738,309
Fines and Forfeits	1,241,279	-	-	1,241,279
Miscellaneous	1,217,137	578	378	1,218,093
<b>Total Revenues</b>	<b>47,333,825</b>	<b>578</b>	<b>378</b>	<b>47,349,313</b>
<b>Expenditures</b>				
Current				
General Government	20,367,855	-	-	20,367,855
Public Safety	11,623,590	-	-	11,623,590
Physical Environment	534,043	-	-	534,043
Transportation	966,476	-	-	966,476
Economic Environment	4,286,554	-	-	4,286,554
Human Services	309,600	-	-	309,600
Debt Service	-	1,866,637	-	1,866,637
<b>Total Expenditures</b>	<b>38,088,118</b>	<b>1,866,637</b>	<b>-</b>	<b>39,954,755</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>9,245,707</b>	<b>(1,866,059)</b>	<b>378</b>	<b>7,394,558</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,030,368	2,394,634	-	3,425,002
Transfers Out	(12,483,715)	(521,417)	(3,964,129)	(16,969,261)
New Debt Issuance	1,210,500	-	-	1,210,500
<b>Total Other Financing Sources (Uses)</b>	<b>(10,242,847)</b>	<b>1,873,217</b>	<b>(3,964,129)</b>	<b>(12,333,759)</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>(997,140)</b>	<b>7,158</b>	<b>(3,963,751)</b>	<b>(4,953,733)</b>
Fund Balances, Beginning of Year	15,050,185	71,621	3,963,751	19,085,557
<b>Fund Balances, End of Year</b>	<b>\$ 14,053,045</b>	<b>\$ 78,779</b>	<b>\$ -</b>	<b>\$ 14,131,824</b>

**Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 September 30, 2021**

	Fine and Forfeiture	State Match	Grants	Enhanced 911	Electric Franchise Fee	Local Option Tourist Tax	Impact Fees	SHIP Program	CARES Act	MSBU
<b>Assets</b>										
Cash and Cash Equivalents	\$ 1,817,537	\$ 128,632	\$ 3,378	\$ 360,444	\$ 844,419	\$ 4,939,778	\$ 898,170	\$ 960,462	\$ -	\$ 1,477,463
Receivables, Net of Uncollectibles	-	-	-	-	-	-	-	-	-	-
Accounts	1,441	-	-	-	613,273	-	-	7,500	-	5,838
Due From Other Governments	55,642	-	4,738,594	233,218	-	28,000	-	25,048	-	14,401
Due From Other Funds	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,874,620</b>	<b>\$ 128,632</b>	<b>\$ 4,741,972</b>	<b>\$ 593,662</b>	<b>\$ 1,457,692</b>	<b>\$ 4,967,778</b>	<b>\$ 898,170</b>	<b>\$ 993,010</b>	<b>\$ -</b>	<b>\$ 1,497,702</b>
<b>Liabilities</b>										
Accounts Payable	\$ 35,256	\$ -	\$ 518,131	\$ 17,175	\$ -	\$ 331,681	\$ -	\$ -	\$ -	\$ 36,012
Contracts Payable	-	-	743,539	-	-	-	-	-	-	-
Accrued Wages Payable	12,027	-	-	20,842	-	19,709	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	3,530,000	-	-	-	-	-	-	116,712
Due to Other Governments	-	-	-	-	-	-	410,000	-	-	-
<b>Total Liabilities</b>	<b>47,283</b>	<b>-</b>	<b>4,791,670</b>	<b>38,017</b>	<b>-</b>	<b>351,390</b>	<b>410,000</b>	<b>-</b>	<b>-</b>	<b>152,724</b>
<b>Fund Balances</b>										
Fund Balances										
Restricted	701,137	128,632	-	555,645	-	4,616,388	488,170	993,010	-	1,483,698
Committed	491,742	-	-	-	1,457,692	-	-	-	-	-
Assigned	634,458	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(49,698)	-	-	-	-	-	-	(138,720)
<b>Total Fund Balances</b>	<b>1,827,337</b>	<b>128,632</b>	<b>(49,698)</b>	<b>555,645</b>	<b>1,457,692</b>	<b>4,616,388</b>	<b>488,170</b>	<b>993,010</b>	<b>-</b>	<b>1,344,978</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,874,620</b>	<b>\$ 128,632</b>	<b>\$ 4,741,972</b>	<b>\$ 593,662</b>	<b>\$ 1,457,692</b>	<b>\$ 4,967,778</b>	<b>\$ 898,170</b>	<b>\$ 993,010</b>	<b>\$ -</b>	<b>\$ 1,497,702</b>

**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds - Continued**  
**September 30, 2021**

	Clerk's Courts Fund	Clerk's Court Tech	Clerk's RMTF	Clerk's Title IV-D	Sheriff's Grants	Sheriff's Second Dollar	Sheriff's Prisoner Rec	Sheriff's LOST	Total Nonmajor Special Revenue Funds
<b>Assets</b>									
Cash and Cash Equivalents	\$ 543,511	\$ 1,007,692	\$ 920,918	\$ -	\$ 740,810	\$ 116,337	\$ 764,675	\$ 100	\$ 15,524,326
Receivables, Net of Uncollectibles									
Accounts	-	-	-	-	-	-	26,124	-	654,176
Due From Other Governments	-	-	-	13,431	427,378	-	-	-	5,535,712
Due From Other Funds	13,441	-	-	-	5,826	-	-	-	19,267
<b>Total Assets</b>	<b>\$ 556,952</b>	<b>\$ 1,007,692</b>	<b>\$ 920,918</b>	<b>\$ 13,431</b>	<b>\$ 1,174,014</b>	<b>\$ 116,337</b>	<b>\$ 790,799</b>	<b>\$ 100</b>	<b>\$ 21,733,481</b>
<b>Liabilities</b>									
Accounts Payable	\$ 7,181	\$ 3,532	\$ -	\$ -	\$ -	\$ -	\$ 11,721	\$ -	\$ 960,689
Contracts Payable	-	-	-	-	-	-	-	-	743,539
Accrued Wages Payable	157,434	10,453	-	-	43,881	-	1,537	-	265,883
Unearned Revenue	-	-	-	-	25,827	-	-	-	25,827
Due to Other Funds	6,269	-	-	13,431	1,086,638	975	59,463	100	4,813,588
Due to Other Governments	385,782	57,460	-	-	17,668	-	-	-	870,910
<b>Total Liabilities</b>	<b>556,666</b>	<b>71,445</b>	<b>-</b>	<b>13,431</b>	<b>1,174,014</b>	<b>975</b>	<b>72,721</b>	<b>100</b>	<b>7,680,436</b>
<b>Fund Balances</b>									
Fund Balances									
Restricted	286	936,247	920,918	-	-	115,362	718,078	-	11,657,571
Committed	-	-	-	-	-	-	-	-	1,949,434
Assigned	-	-	-	-	-	-	-	-	634,458
Unassigned	-	-	-	-	-	-	-	-	(188,418)
<b>Total Fund Balances</b>	<b>286</b>	<b>936,247</b>	<b>920,918</b>	<b>-</b>	<b>-</b>	<b>115,362</b>	<b>718,078</b>	<b>-</b>	<b>14,053,045</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 556,952</b>	<b>\$ 1,007,692</b>	<b>\$ 920,918</b>	<b>\$ 13,431</b>	<b>\$ 1,174,014</b>	<b>\$ 116,337</b>	<b>\$ 790,799</b>	<b>\$ 100</b>	<b>\$ 21,733,481</b>

## Combining Statement of Revenues, Expenditures, And Changes In Fund Balances Nonmajor Special Revenue Funds Year Ended September 30, 2021

	Fine and Forfeiture	State Match	Grants	Enhanced 911	Electric Franchise Fee	Local Option Tourist Tax	Impact Fees	SHIP Program	CARES Act	MSBU
<b>Revenues</b>										
Taxes	\$ 604	\$ -	\$ -	\$ -	\$ -	\$ 4,623,358	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	7,426,668	-	-	-	-	4,571,383
Intergovernmental	4,231	36,498	5,974,118	111,868	-	24,000	-	571,122	11,493,930	-
Charges for Services	1,481,171	-	-	825,961	-	-	-	-	-	-
Fines and Forfeits	18,843	-	-	-	-	-	-	-	-	-
Miscellaneous	1,145	16	171	47,123	102	993	302	543,146	905	384
<b>Total Revenues</b>	<b>1,505,994</b>	<b>36,514</b>	<b>5,974,289</b>	<b>984,952</b>	<b>7,426,770</b>	<b>4,648,351</b>	<b>302</b>	<b>1,114,268</b>	<b>11,494,835</b>	<b>4,571,767</b>
<b>Expenditures</b>										
Current										
General Government	1,441,405	-	7,064,291	-	-	-	-	-	7,097,017	-
Public Safety	52,563	-	55,648	922,908	-	-	-	-	-	6,063,833
Physical Environment	-	-	99,238	-	-	-	-	-	-	434,805
Transportation	-	-	419,032	-	-	-	4,590	-	-	542,854
Economic Environment	-	-	977,839	-	-	2,530,502	-	299,445	478,768	-
Human Services	-	-	309,600	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,493,968</b>	<b>-</b>	<b>8,925,648</b>	<b>922,908</b>	<b>-</b>	<b>2,530,502</b>	<b>4,590</b>	<b>299,445</b>	<b>7,575,785</b>	<b>7,041,492</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>12,026</b>	<b>36,514</b>	<b>(2,951,359)</b>	<b>62,044</b>	<b>7,426,770</b>	<b>2,117,849</b>	<b>(4,288)</b>	<b>814,823</b>	<b>3,919,050</b>	<b>(2,469,725)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	28,684	-	-	607,080	-	904	-	393,700
Transfers Out	-	-	-	-	(7,467,835)	(219,048)	-	(195,293)	(3,921,420)	(680,119)
New Debt Issuance	-	-	-	-	-	-	-	-	-	1,210,500
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>28,684</b>	<b>-</b>	<b>(7,467,835)</b>	<b>388,032</b>	<b>-</b>	<b>(194,389)</b>	<b>(3,921,420)</b>	<b>924,081</b>
<b>Net Change in Fund Balances</b>	<b>12,026</b>	<b>36,514</b>	<b>(2,922,675)</b>	<b>62,044</b>	<b>(41,065)</b>	<b>2,505,881</b>	<b>(4,288)</b>	<b>620,434</b>	<b>(2,370)</b>	<b>(1,545,644)</b>
Fund Balances, Beginning of Year	1,815,311	92,118	2,872,977	493,601	1,498,757	2,110,507	492,458	372,576	2,370	2,890,622
<b>Fund Balances, End of Year</b>	<b>\$ 1,827,337</b>	<b>\$ 128,632</b>	<b>\$ (49,698)</b>	<b>\$ 555,645</b>	<b>\$ 1,457,692</b>	<b>\$ 4,616,388</b>	<b>\$ 488,170</b>	<b>\$ 993,010</b>	<b>\$ -</b>	<b>\$ 1,344,978</b>

**Combining Statement of Revenues, Expenditures, And Changes In Fund Balances  
Nonmajor Special Revenue Funds - Continued  
Year Ended September 30, 2021**

	Clerk's Courts Fund	Clerk's Courts Tech	Clerk's RMTF	Clerk's Title IV-D	Sheriff's Grants	Sheriff's Second Dollar	Sheriff's Prisoner Rec	Sheriff's LOST	Total Nonmajor Special Revenue Funds
<b>Revenues</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 392,428	\$ 5,016,390
Licenses and Permits	-	-	-	-	-	-	-	-	11,998,051
Intergovernmental	150,557	-	-	95,486	3,632,462	28,387	-	-	22,122,659
Charges for Services	2,574,446	648,120	208,611	-	-	-	-	-	5,738,309
Fines and Forfeits	1,221,281	-	-	1,155	-	-	-	-	1,241,279
Miscellaneous	78,393	-	-	-	-	11	544,446	-	1,217,137
<b>Total Revenues</b>	<b>4,024,677</b>	<b>648,120</b>	<b>208,611</b>	<b>96,641</b>	<b>3,632,462</b>	<b>28,398</b>	<b>544,446</b>	<b>392,428</b>	<b>47,333,825</b>
<b>Expenditures</b>									
Current									
General Government	4,040,672	530,233	97,596	96,641	-	-	-	-	20,367,855
Public Safety	-	-	-	-	3,632,462	14,120	489,628	392,428	11,623,590
Physical Environment	-	-	-	-	-	-	-	-	534,043
Transportation	-	-	-	-	-	-	-	-	966,476
Economic Environment	-	-	-	-	-	-	-	-	4,286,554
Human Services	-	-	-	-	-	-	-	-	309,600
<b>Total Expenditures</b>	<b>4,040,672</b>	<b>530,233</b>	<b>97,596</b>	<b>96,641</b>	<b>3,632,462</b>	<b>14,120</b>	<b>489,628</b>	<b>392,428</b>	<b>38,088,118</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(15,995)</b>	<b>117,887</b>	<b>111,015</b>	<b>-</b>	<b>-</b>	<b>14,278</b>	<b>54,818</b>	<b>-</b>	<b>9,245,707</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	-	-	-	-	-	-	-	-	1,030,368
Transfers Out	-	-	-	-	-	-	-	-	(12,483,715)
New Debt Issuance	-	-	-	-	-	-	-	-	1,210,500
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,242,847)</b>
<b>Net Change in Fund Balances</b>	<b>(15,995)</b>	<b>117,887</b>	<b>111,015</b>	<b>-</b>	<b>-</b>	<b>14,278</b>	<b>54,818</b>	<b>-</b>	<b>(997,140)</b>
Fund Balances, Beginning of Year	16,281	818,360	809,903	-	-	101,084	663,260	-	15,050,185
<b>Fund Balances, End of Year</b>	<b>\$ 286</b>	<b>\$ 936,247</b>	<b>\$ 920,918</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 115,362</b>	<b>\$ 718,078</b>	<b>\$ -</b>	<b>\$ 14,053,045</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Fine And Forfeiture Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 604	\$ 604
Intergovernmental	-	-	4,231	4,231
Charges for Services	1,132,000	1,132,000	1,481,171	349,171
Fines and Forfeits	5,000	5,000	18,843	13,843
Miscellaneous	16,000	16,000	1,145	(14,855)
<b>Total Revenues</b>	<b>1,153,000</b>	<b>1,153,000</b>	<b>1,505,994</b>	<b>352,994</b>
<b>Expenditures</b>				
Current				
General Government	1,123,615	1,169,695	1,441,405	(271,710)
Public Safety	85,000	90,000	52,563	37,437
<b>Total Expenditures</b>	<b>1,208,615</b>	<b>1,259,695</b>	<b>1,493,968</b>	<b>(234,273)</b>
<b>Net Change in Fund Balances</b>	<b>(55,615)</b>	<b>(106,695)</b>	<b>12,026</b>	<b>118,721</b>
Fund Balance, Beginning of Year	55,615	106,695	1,815,311	1,708,616
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,827,337</b>	<b>\$ 1,827,337</b>



**Budgetary Comparison Schedule (GAAP Basis)**  
**State Match Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 34,480	\$ 34,480	\$ 36,498	\$ 2,018
Miscellaneous	-	-	16	16
<b>Total Revenues</b>	<b>34,480</b>	<b>34,480</b>	<b>36,514</b>	<b>2,034</b>
<b>Expenditures</b>				
Current				
Human Services	34,480	34,480	-	34,480
<b>Total Expenditures</b>	<b>34,480</b>	<b>34,480</b>	<b>-</b>	<b>34,480</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>36,514</b>	<b>36,514</b>
Fund Balance, Beginning of Year	-	-	92,118	92,118
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 128,632</b>	<b>\$ 128,632</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Grants Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 22,830,048	\$ 5,974,118	\$ (16,855,930)
Miscellaneous	-	-	171	171
<b>Total Revenues</b>	<b>-</b>	<b>22,830,048</b>	<b>5,974,289</b>	<b>(16,855,759)</b>
<b>Expenditures</b>				
Current				
General Government	-	19,105,998	7,064,291	12,041,707
Public Safety	-	99,492	55,648	43,844
Physical Environment	-	655,002	99,238	555,764
Transportation	-	863,998	419,032	444,966
Economic Environment	-	1,877,583	977,839	899,744
Human Services	-	697,345	309,600	387,745
<b>Total Expenditures</b>	<b>-</b>	<b>23,299,418</b>	<b>8,925,648</b>	<b>14,373,770</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>(469,370)</b>	<b>(2,951,359)</b>	<b>(2,481,989)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	28,684	28,684	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>28,684</b>	<b>28,684</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(440,686)</b>	<b>(2,922,675)</b>	<b>(2,481,989)</b>
Fund Balance, Beginning of Year	-	440,686	2,872,977	2,872,977
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (49,698)</b>	<b>\$ (49,698)</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Enhanced 911 Program Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 401,004	\$ 111,868	\$ (289,136)
Charges for Services	664,005	664,005	825,961	161,956
Miscellaneous	2,850	49,812	47,123	(2,689)
<b>Total Revenues</b>	<b>666,855</b>	<b>1,114,821</b>	<b>984,952</b>	<b>(129,869)</b>
<b>Expenditures</b>				
Current				
Public Safety	852,360	1,333,076	922,908	410,168
<b>Total Expenditures</b>	<b>852,360</b>	<b>1,333,076</b>	<b>922,908</b>	<b>410,168</b>
<b>Net Change in Fund Balances</b>	<b>(185,505)</b>	<b>(215,255)</b>	<b>62,044</b>	<b>277,299</b>
Fund Balance, Beginning of Year	185,505	215,255	493,601	493,600
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 555,645</b>	<b>\$ 555,645</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Electric Franchise Fee Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Permits, Fees and Special Assessments	\$ 6,850,000	\$ 6,850,000	\$ 7,426,668	\$ 576,668
Miscellaneous	2,375	2,375	102	(2,273)
<b>Total Revenues</b>	<b>6,852,375</b>	<b>6,852,375</b>	<b>7,426,770</b>	<b>574,395</b>
<b>Expenditures</b>				
Current				
General Government	300,000	55,582	-	55,582
<b>Total Expenditures</b>	<b>300,000</b>	<b>55,582</b>	<b>-</b>	<b>55,582</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>6,552,375</b>	<b>6,796,793</b>	<b>7,426,770</b>	<b>629,977</b>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(6,552,375)	(7,467,835)	(7,467,835)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(6,552,375)</b>	<b>(7,467,835)</b>	<b>(7,467,835)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(671,042)</b>	<b>(41,065)</b>	<b>629,977</b>
Fund Balance, Beginning of Year	-	671,042	1,498,757	1,498,757
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,457,692</b>	<b>\$ 1,457,692</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Local Option Tourist Tax Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 3,000,000	\$ 3,000,000	\$ 4,623,358	\$ 1,623,358
Intergovernmental	-	45,048	24,000	(21,048)
Miscellaneous	15,200	15,200	993	(14,207)
<b>Total Revenues</b>	<b>3,015,200</b>	<b>3,060,248</b>	<b>4,648,351</b>	<b>1,588,103</b>
<b>Expenditures</b>				
Current				
Economic Environment	2,922,155	3,450,546	2,530,502	920,044
<b>Total Expenditures</b>	<b>2,922,155</b>	<b>3,450,546</b>	<b>2,530,502</b>	<b>920,044</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>93,045</b>	<b>(390,298)</b>	<b>2,117,849</b>	<b>2,508,147</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	607,080	607,080	-
Transfers Out	(93,045)	(219,048)	(219,048)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(93,045)</b>	<b>388,032</b>	<b>388,032</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(2,266)</b>	<b>2,505,881</b>	<b>2,508,147</b>
Fund Balance, Beginning of Year	-	2,266	2,110,507	2,110,507
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,616,388</b>	<b>\$ 4,616,388</b>

**Budgetary Comparison Schedule (Gaap Basis)**  
**Impact Fees Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 302	\$ 302
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>302</u>	<u>302</u>
<b>Expenditures</b>				
Current				
Transportation	-	488,000	4,590	483,410
<b>Total Expenditures</b>	<u>-</u>	<u>488,000</u>	<u>4,590</u>	<u>483,410</u>
<b>Net Change in Fund Balances</b>	-	(488,000)	(4,288)	483,712
Fund Balance, Beginning of Year	-	488,000	492,458	492,458
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 488,170</u>	<u>\$ 488,170</u>



**Budgetary Comparison Schedule (GAAP Basis)**  
**SHIP Program Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 350,000	\$ 896,074	\$ 571,122	\$ (324,952)
Miscellaneous	204,000	732,327	543,146	(189,181)
<b>Total Revenues</b>	<b>554,000</b>	<b>1,628,401</b>	<b>1,114,268</b>	<b>(514,133)</b>
<b>Expenditures</b>				
Current				
Economic Environment	910,885	2,749,170	299,445	2,449,725
<b>Total Expenditures</b>	<b>910,885</b>	<b>2,749,170</b>	<b>299,445</b>	<b>2,449,725</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(356,885)</b>	<b>(1,120,769)</b>	<b>814,823</b>	<b>1,935,592</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	904	904	-
Transfers Out	(114,270)	(195,293)	(195,293)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(114,270)</b>	<b>(194,389)</b>	<b>(194,389)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(471,155)</b>	<b>(1,315,158)</b>	<b>620,434</b>	<b>1,935,592</b>
Fund Balance, Beginning of Year	471,155	1,315,158	372,576	372,576
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 993,010</b>	<b>\$ 993,010</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**CARES Act Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 8,177,856	\$ 11,493,930	\$ 3,316,074
Miscellaneous	-	-	905	905
<b>Total Revenues</b>	<b>-</b>	<b>8,177,856</b>	<b>11,494,835</b>	<b>3,316,979</b>
<b>Expenditures</b>				
Current				
General Government	-	7,893,650	7,097,017	796,633
Economic Environment	-	1,667,299	478,768	1,188,531
<b>Total Expenditures</b>	<b>-</b>	<b>9,560,949</b>	<b>7,575,785</b>	<b>1,985,164</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>(1,383,093)</b>	<b>3,919,050</b>	<b>5,302,143</b>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(2,601,418)	(3,921,420)	(1,320,002)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(2,601,418)</b>	<b>(3,921,420)</b>	<b>(1,320,002)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(3,984,511)</b>	<b>(2,370)</b>	<b>3,982,141</b>
Fund Balance, Beginning of Year	-	3,984,511	2,370	372,576
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**MSBU (Municipal Service Benefit Unit) Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Permits, Fees and Special Assessments	\$ 4,616,690	\$ 4,616,690	\$ 4,571,383	\$ (45,307)
Miscellaneous	3,800	3,800	384	(3,416)
<b>Total Revenues</b>	<b>4,620,490</b>	<b>4,620,490</b>	<b>4,571,767</b>	<b>(48,723)</b>
<b>Expenditures</b>				
Current				
Public Safety	3,212,660	4,495,152	6,063,833	(1,568,681)
Physical Environment	451,000	451,000	434,805	16,195
Transportation	690,965	1,563,767	542,854	1,020,913
<b>Total Expenditures</b>	<b>4,354,625</b>	<b>6,509,919</b>	<b>7,041,492</b>	<b>(531,573)</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>265,865</b>	<b>(1,889,429)</b>	<b>(2,469,725)</b>	<b>(580,296)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	139,700	393,700	393,700	-
Transfers Out	(499,950)	(680,119)	(680,119)	-
New Debt Issuance	-	710,500	1,210,500	500,000
<b>Total Other Financing Sources (Uses)</b>	<b>(360,250)</b>	<b>424,081</b>	<b>924,081</b>	<b>500,000</b>
<b>Net Change in Fund Balances</b>	<b>(94,385)</b>	<b>(1,465,348)</b>	<b>(1,545,644)</b>	<b>(80,296)</b>
Fund Balance, Beginning of Year	94,385	1,465,348	2,890,622	2,890,622
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,344,978</b>	<b>\$ 1,344,978</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Clerk's Courts Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 150,557	\$ 150,557
Charges for Services	2,574,115	2,574,115	2,574,446	331
Fines and Forfeits	1,100,968	1,100,968	1,221,281	120,313
Miscellaneous	-	-	78,393	78,393
<b>Total Revenues</b>	<b>3,675,083</b>	<b>3,675,083</b>	<b>4,024,677</b>	<b>349,594</b>
<b>Expenditures</b>				
Current				
General Government	3,675,083	3,675,083	4,040,672	(365,589)
<b>Total Expenditures</b>	<b>3,675,083</b>	<b>3,675,083</b>	<b>4,040,672</b>	<b>(365,589)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>(15,995)</b>	<b>(15,995)</b>
Fund Balance, Beginning of Year	-	-	16,281	16,281
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 286</b>	<b>\$ 286</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Clerk's Courts Technology Fund**  
**Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Charges for Services	\$ 473,000	\$ 473,000	\$ 648,120	\$ 175,120
<b>Total Revenues</b>	<u>473,000</u>	<u>473,000</u>	<u>648,120</u>	<u>175,120</u>
<b>Expenditures</b>				
Current				
General Government	468,873	568,873	530,233	38,640
<b>Total Expenditures</b>	<u>468,873</u>	<u>568,873</u>	<u>530,233</u>	<u>38,640</u>
<b>Net Change in Fund Balances</b>	<b>4,127</b>	<b>(95,873)</b>	<b>117,887</b>	<b>213,760</b>
Fund Balance, Beginning of Year	<u>818,360</u>	<u>818,360</u>	<u>818,360</u>	<u>818,360</u>
<b>Fund Balance, End of Year</b>	<u><u>\$ 822,487</u></u>	<u><u>\$ 722,487</u></u>	<u><u>\$ 936,247</u></u>	<u><u>\$ 213,760</u></u>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Clerk's RMTF (Record Modernization Trust Fund)**  
 Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Charges for Services	\$ 150,000	\$ 150,000	\$ 208,611	\$ 58,611
<b>Total Revenues</b>	<b>150,000</b>	<b>150,000</b>	<b>208,611</b>	<b>58,611</b>
<b>Expenditures</b>				
Current				
General Government	180,000	180,000	97,596	82,404
<b>Total Expenditures</b>	<b>180,000</b>	<b>180,000</b>	<b>97,596</b>	<b>82,404</b>
<b>Net Change in Fund Balances</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>111,015</b>	<b>141,015</b>
Fund Balance, Beginning of Year	809,903	809,903	809,903	-
<b>Fund Balance, End of Year</b>	<b>\$ 779,903</b>	<b>\$ 779,903</b>	<b>\$ 920,918</b>	<b>\$ 141,015</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**Clerk's Child Support Title IV-D Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 85,000	\$ 85,000	\$ 170,248	\$ 85,248
Fines and Forfeits	-	-	1,120	1,120
<b>Total Revenues</b>	<b>85,000</b>	<b>85,000</b>	<b>171,368</b>	<b>86,368</b>
<b>Expenditures</b>				
Current				
General Government	100,000	175,000	171,368	3,632
<b>Total Expenditures</b>	<b>100,000</b>	<b>175,000</b>	<b>171,368</b>	<b>3,632</b>
<b>Net Change in Fund Balances</b>	<b>(15,000)</b>	<b>(90,000)</b>	-	<b>90,000</b>
Fund Balance, Beginning of Year	15,000	90,000	-	-
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**Budgetary Comparison Schedule (GAAP Basis)**  
**Debt Service Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 578	\$ 578
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>578</b>	<b>578</b>
<b>Expenditures</b>				
Current				
Debt Service	2,244,465	1,873,217	1,866,637	6,580
<b>Total Expenditures</b>	<b>2,244,465</b>	<b>1,873,217</b>	<b>1,866,637</b>	<b>6,580</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(2,244,465)</b>	<b>(1,873,217)</b>	<b>(1,866,059)</b>	<b>7,158</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,244,465	2,394,634	2,394,634	-
Transfers Out	-	(521,417)	(521,417)	-
<b>Total Other Financing Sources (Uses)</b>	<b>2,244,465</b>	<b>1,873,217</b>	<b>1,873,217</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>7,158</b>	<b>7,158</b>
Fund Balance, Beginning of Year	-	-	71,621	71,621
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 78,779</b>	<b>\$ 78,779</b>

**Combining Statement of Revenues, Expenditures, And Changes In Fund Balances  
Nonmajor Capital Project Funds  
Year Ended September 30, 2021**

	District One	District Two	District Three	District Four	District Five	Total Nonmajor Capital Project Funds
<b>Revenues</b>						
Miscellaneous	\$ 12	\$ 165	\$ 9	\$ 85	\$ 107	\$ 378
<b>Total Revenues</b>	<b>12</b>	<b>165</b>	<b>9</b>	<b>85</b>	<b>107</b>	<b>378</b>
<b>Expenditures</b>						
Current						
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>12</b>	<b>165</b>	<b>9</b>	<b>85</b>	<b>107</b>	<b>378</b>
<b>Other Financing Sources (Uses)</b>						
Transfers Out	(192,420)	(1,538,567)	(160,374)	(986,464)	(1,086,304)	(3,964,129)
<b>Total Other Financing Sources (Uses)</b>	<b>(192,420)</b>	<b>(1,538,567)</b>	<b>(160,374)</b>	<b>(986,464)</b>	<b>(1,086,304)</b>	<b>(3,964,129)</b>
<b>Net Change in Fund Balances</b>	<b>(192,408)</b>	<b>(1,538,402)</b>	<b>(160,365)</b>	<b>(986,379)</b>	<b>(1,086,197)</b>	<b>(3,963,751)</b>
Fund Balances, Beginning of Year	192,408	1,538,402	160,365	986,379	1,086,197	3,963,751
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Budgetary Comparison Schedule (GAAP Basis)**  
**District One Capital Project Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 12	\$ 12
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(192,402)	(192,420)	(18)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(192,402)</u>	<u>(192,420)</u>	<u>(18)</u>
<b>Net Change in Fund Balances</b>	-	(192,402)	(192,408)	(6)
Fund Balance, Beginning of Year	-	192,402	192,408	192,408
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Budgetary Comparison Schedule (GAAP Basis)**  
**District Two Capital Project Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 165	\$ 165
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>165</u>	<u>165</u>
<b>Expenditures</b>				
Current				
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>165</u>	<u>165</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(1,534,209)	(1,538,567)	(4,358)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(1,534,209)</u>	<u>(1,538,567)</u>	<u>(4,358)</u>
<b>Net Change in Fund Balances</b>	-	(1,534,209)	(1,538,402)	(4,193)
Fund Balance, Beginning of Year	-	1,534,209	1,538,402	1,538,402
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Budgetary Comparison Schedule (GAAP Basis)**  
**District Three Capital Project Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 9	\$ 9
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>9</u>	<u>9</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>9</u>	<u>9</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(160,359)	(160,374)	(15)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(160,359)</u>	<u>(160,374)</u>	<u>(15)</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>(160,359)</u>	<u>(160,365)</u>	<u>(6)</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>160,359</u>	<u>160,365</u>	<u>160,365</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Budgetary Comparison Schedule (GAAP Basis)**  
**District Four Capital Project Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 85	\$ 85
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>85</u>	<u>85</u>
<b>Expenditures</b>				
Current				
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(986,376)	(986,464)	(88)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(986,376)</u>	<u>(986,464)</u>	<u>(88)</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>(986,376)</u>	<u>(986,379)</u>	<u>(3)</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>986,376</u>	<u>986,379</u>	<u>986,379</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Budgetary Comparison Schedule (GAAP Basis)**  
**District Five Capital Project Fund**  
**Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 107	\$ 107
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>107</u>	<u>107</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>107</u>	<u>107</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(1,086,248)	(1,086,304)	(56)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(1,086,248)</u>	<u>(1,086,304)</u>	<u>(56)</u>
<b>Net Change in Fund Balances</b>	-	(1,086,248)	(1,086,197)	51
Fund Balance, Beginning of Year	-	1,086,248	1,086,197	1,086,197
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**NONMAJOR ENTERPRISE FUNDS**

**Navarre Beach Fund** – accounts for the operation and maintenance of the water and sewer utility system of Navarre Beach.

**Inspections Fund** – accounts for the license, permit and inspection fees and related expenses for the provision of inspection services to residents of the unincorporated areas of Santa Rosa County.

**Peter Prince Fund** – accounts for the operations of the Peter Prince Airport.

## Combining Statement of Net Position Nonmajor Enterprise Funds September 30, 2021

	Navarre Beach	Inspections	Peter Prince Field	Total Nonmajor Enterprise Funds
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and Cash Equivalents	\$ 2,174,727	\$ 6,499,080	\$ 19,095	\$ 8,692,902
Accounts Receivable	175,147	-	6,981	182,128
Due From Other Governments	-	-	228,003	228,003
<b>Total Current Assets</b>	<b>2,349,874</b>	<b>6,499,080</b>	<b>254,079</b>	<b>9,103,033</b>
<b>Noncurrent Assets</b>				
Capital Assets, Net of Accumulated Depreciation	3,990,206	159,023	8,347,923	12,497,152
<b>Total Noncurrent Assets</b>	<b>3,990,206</b>	<b>159,023</b>	<b>8,347,923</b>	<b>12,497,152</b>
<b>Total Assets</b>	<b>6,340,080</b>	<b>6,658,103</b>	<b>8,602,002</b>	<b>21,600,185</b>
<b>Deferred Outflows of Resources</b>				
Deferred Outflow On Pension	83,290	315,255	-	398,545
Deferred Outflow On Health Insurance Subsidy	25,156	79,056	-	104,212
Deferred Outflow On OPEB	5,467	17,535	542	23,544
<b>Total Deferred Outflows of Resources</b>	<b>113,913</b>	<b>411,846</b>	<b>542</b>	<b>526,301</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	103,232	15,247	210,426	328,905
Contracts Payable	-	-	51,546	51,546
Accrued Wages Payable	20,571	95,674	-	116,245
Due to Other Governments	-	81,718	1,918	83,636
Due to Other Funds	-	-	5,000	5,000
Compensated Absences - Current Portion	34,264	60,942	-	95,206
Note Payable Current	555,568	-	-	555,568
Deposits	4,600	234,300	1,400	240,300
<b>Total Current Liabilities</b>	<b>718,235</b>	<b>487,881</b>	<b>270,290</b>	<b>1,476,406</b>
<b>Noncurrent Liabilities</b>				
Long Term Portion of Compensated Absences	-	195,000	-	195,000
Net Pension Liability	101,326	141,952	-	243,278
Net Health Insurance Subsidy Liability	149,777	473,436	-	623,213
OPEB Liability	61,333	178,373	2,671	242,377
<b>Total Noncurrent Liabilities</b>	<b>312,436</b>	<b>988,761</b>	<b>2,671</b>	<b>1,303,868</b>
<b>Total Liabilities</b>	<b>1,030,671</b>	<b>1,476,642</b>	<b>272,961</b>	<b>2,780,274</b>
<b>Deferred Inflows of Resources</b>				
Deferred Inflow On Pension	236,638	991,750	-	1,228,388
Deferred Inflow On Health Insurance Subsidy	7,387	32,213	-	39,600
Deferred Inflow On Opeb	11,768	40,836	656	53,260
<b>Total Deferred Inflows of Resources</b>	<b>255,793</b>	<b>1,064,799</b>	<b>656</b>	<b>1,321,248</b>
<b>Net Position</b>				
Net Investment in Capital Assets	3,434,638	159,023	8,347,923	11,941,584
Unrestricted	1,732,891	4,369,485	(18,996)	6,083,380
<b>Total Net Position</b>	<b>\$ 5,167,529</b>	<b>\$ 4,528,508</b>	<b>\$ 8,328,927</b>	<b>\$ 18,024,964</b>

## Combining Statement of Revenues, Expenses, And Changes In Net Position Nonmajor Enterprise Funds Year Ended September 30, 2021

	Navarre Beach	Inspections	Peter Prince Field	Total Nonmajor Enterprise Funds
<b>Operating Revenues</b>				
Permits, Fees and Special Assessments	\$ -	\$ 5,291,887	\$ -	\$ 5,291,887
Charges for Services	2,500,689	16,463	324,930	2,842,082
Miscellaneous	10	-	111	121
<b>Total Operating Revenues</b>	<b>2,500,699</b>	<b>5,308,350</b>	<b>325,041</b>	<b>8,134,090</b>
<b>Operating Expenses</b>				
Personal Services	509,248	2,128,315	2	2,637,565
Contract Services	557,769	81,436	109,949	749,154
Supplies	174,345	31,370	479	206,194
Repairs and Maintenance	200,911	15,063	46,080	262,054
Utilities	86,077	-	19,507	105,584
Depreciation	487,826	28,884	370,337	887,047
Travel and Per Diem	-	1,957	-	1,957
Insurance	13,450	47,300	-	60,750
Communications	12,290	20,880	553	33,723
Fuel and Oil	7,030	30,093	-	37,123
Rentals	1,487	-	-	1,487
Miscellaneous	3,650	17,261	662	21,573
<b>Total Operating Expenses</b>	<b>2,054,083</b>	<b>2,402,559</b>	<b>547,569</b>	<b>5,004,211</b>
<b>Operating Income (Loss)</b>	<b>446,616</b>	<b>2,905,791</b>	<b>(222,528)</b>	<b>3,129,879</b>
<b>Non-operating Revenues (Expenses)</b>				
Investment Income	1,158	1,938	318	3,414
Interest Expense	(16,329)	-	-	(16,329)
Gain (Loss) On Disposal of Assets	(969)	-	-	(969)
<b>Total Non-operating Revenues (Expenses)</b>	<b>(16,140)</b>	<b>1,938</b>	<b>318</b>	<b>(13,884)</b>
Income (Loss) Before Contributions and Transfers	430,476	2,907,729	(222,210)	3,115,995
Transfers in	-	-	690,565	690,565
Transfers Out	(115,685)	(187,180)	(14,670)	(317,535)
Capital Contribution	7,183	-	794,354	801,537
Change in Net Position	321,974	2,720,549	1,248,039	4,290,562
Net Position, Beginning of Year	4,845,555	1,807,959	7,080,888	13,734,402
<b>Net Position, End of Year</b>	<b>\$ 5,167,529</b>	<b>\$ 4,528,508</b>	<b>\$ 8,328,927</b>	<b>\$ 18,024,964</b>

**Combining Statement Of Cash Flows  
 Nonmajor Enterprise Funds  
 Year Ended September 30, 2021**

	Navarre Beach	Inspections	Peter Prince Field	Total Nonmajor Enterprise Funds
<b>Cash Flows From Operating Activities</b>				
Cash Received From Customers	\$ 2,541,208	\$ 5,308,350	\$ 256,588	\$ 8,106,146
Cash Paid to Suppliers	(1,051,209)	(421,596)	(260,282)	(1,733,087)
Cash Paid to Employees	(497,643)	(2,135,495)	(2)	(2,633,140)
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>992,356</b>	<b>2,751,259</b>	<b>(3,696)</b>	<b>3,739,919</b>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers in	-	-	690,565	690,565
Transfers Out	(115,685)	(187,180)	(14,670)	(317,535)
<b>Net Cash Provided (Used) By Noncapital Financing Activities</b>	<b>(115,685)</b>	<b>(187,180)</b>	<b>675,895</b>	<b>373,030</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Capital Contribution	7,183	-	794,354	801,537
Purchases of Capital Assets	(436,662)	-	(3,602,447)	(4,039,109)
Principal Paid On Capital Debt	(535,020)	-	-	(535,020)
Interest Paid On Capital Debt	(16,329)	-	-	(16,329)
<b>Net Cash Provided (Used) By Capital and Related Financing Activities</b>	<b>(980,828)</b>	<b>-</b>	<b>(2,808,093)</b>	<b>(3,788,921)</b>
<b>Cash Flows From Investing Activities</b>				
Interest and Dividends	1,158	1,938	318	3,414
<b>Net Cash Provided (Used) By Investing Activities</b>	<b>1,158</b>	<b>1,938</b>	<b>318</b>	<b>3,414</b>
Net Increase (Decrease) in Cash and Cash Equivalents	(102,999)	2,566,017	(2,135,576)	327,442
Cash and Cash Equivalents At Beginning of Year	2,277,726	3,933,063	2,154,671	8,365,460
<b>Cash and Cash Equivalents At End of Year</b>	<b>\$ 2,174,727</b>	<b>\$ 6,499,080</b>	<b>\$ 19,095</b>	<b>\$ 8,692,902</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities</b>				
Operating Income (Loss)	\$ 446,616	\$ 2,905,791	\$ (222,528)	\$ 3,129,879
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) By Operating Activities				
Depreciation Expense	487,826	28,884	370,337	887,047
Accounts Receivable	40,509	-	6,664	47,173
Due From Other Governments	-	-	(75,117)	(75,117)
Accounts Payable	32,995	(896)	(112,998)	(80,899)
Contracts Payable	-	-	51,546	51,546
Accrued Compensation	(404)	11,973	-	11,569
Compensated Absences	12,009	(19,153)	-	(7,144)
Due to Other Governments	-	12,920	252	13,172
Due to Other Funds	-	-	5,000	5,000
OPEB Liability	(3,433)	(12,158)	(4)	(15,595)
Deposits	(900)	(50,369)	100	(51,169)
Net Pension Liability	(310,581)	(1,300,636)	(26,904)	(1,638,121)
Net Health Insurance Subsidy	(1,724)	(7,221)	(9,351)	(18,296)
Deferred Outflows of Resources	52,948	194,693	10,575	258,216
Deferred Inflows of Resources	236,495	987,431	(1,268)	1,222,658
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>\$ 992,356</b>	<b>\$ 2,751,259</b>	<b>\$ (3,696)</b>	<b>\$ 3,739,919</b>

## CUSTODIAL FUNDS

**Clerk's Court Registry Fund** – accounts for funds deposited pursuant to court order pending the outcome of legal action and are distributed by order of the court.

**Clerk's Fine and Cost Fund** – Traffic and other fines are collected by the Clerk and remitted to the various governmental agencies.

**Clerk's Intangible Tax Fund** – The Clerk collects intangible tax and remits to the Department of Revenue.

**Clerk's State Documentary Stamp Fund** – The Clerk collects documentary stamps tax as an agent for the State of Florida and remits the revenue, less commission, to the Department of Revenue.

**Clerk's Suspense Fund** – The Clerk collects fees for marriage licenses, spousal abuse and restitution. Also the Clerk Collects money for the State co-educational trust fund and attorneys fees. Distributions on payments and remittances are made as appropriate to the various agencies or individuals.

**Clerk's Tax Redemption Fund** – accounts for tax deed application fees and tax deed bids and makes distributions on payments as appropriate.

**Clerk's Ordinary Witness Fund** – accounts for the funds collected and paid to witnesses.

**Clerk's Bail Bond Fund** – accounts for the collection and disbursement of bond monies posted by individuals upon arrest. These monies are held by the Clerk until final disposition instructions are received from the court.

**Clerk's Flower Trust Fund** – accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.

**Sheriff's Suspense Fund** – accounts for the collection of monies obtained from the Sheriffs sale of abandoned and confiscated property, various court levies, writs of execution, and miscellaneous receipts and the subsequent disbursements to individuals, state agencies, and the Board of County Commissioners.

**Sheriff's Seizure Fund** – accounts for cash confiscated by the Sheriff's department which is held pending disposition.

**Sheriff's Flower Fund** – accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.

**Tax Collector's Tax Fund** – accounts for receipts of various types of taxes, licenses, and fees collected on behalf of state, county, and municipal governmental agencies.

### Combining Statement of Fiduciary Net Position Custodial Funds September 30, 2021

	<u>Court Registry</u>	<u>Fine and Cost</u>	<u>Intangible Tax</u>	<u>State Documentary Stamp</u>	<u>Clerk Suspense</u>	<u>Tax Redemption</u>	<u>Ordinary Witness</u>
<b>Assets</b>							
Cash and Cash Equivalents	\$ 2,506,415	\$ 243,037	\$ 18,163	\$ 638,687	\$ 63,435	\$ 1,514,371	\$ 33,033
Miscellaneous Receivables	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,506,415</b>	<b>\$ 243,037</b>	<b>\$ 18,163</b>	<b>\$ 638,687</b>	<b>\$ 63,435</b>	<b>\$ 1,514,371</b>	<b>\$ 33,033</b>
<b>Liabilities</b>							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 1,137	\$ -	\$ -
Due to Other Governments	-	-	-	-	-	-	-
Miscellaneous Liabilities	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,137</b>	<b>-</b>	<b>-</b>
<b>Net Position</b>							
Restricted for:							
Cash Bonds	-	-	-	-	-	-	-
Court Registry	2,506,415	-	-	-	-	-	-
General Trust	-	243,037	18,163	638,687	62,298	1,514,371	33,033
Seizure	-	-	-	-	-	-	-
Flowers or Donations	-	-	-	-	-	-	-
<b>Total Net Position</b>	<b>\$ 2,506,415</b>	<b>\$ 243,037</b>	<b>\$ 18,163</b>	<b>\$ 638,687</b>	<b>\$ 62,298</b>	<b>\$ 1,514,371</b>	<b>\$ 33,033</b>

**Combining Statement of Fiduciary Net Position  
Custodial Funds - Continued  
September 30, 2021**

	Bail Bonds	Clerk Flower Trust	Sheriff Suspense	Sheriff Seizure	Sheriff Flower	Tax Fund	Totals
<b>Assets</b>							
Cash and Cash Equivalents	\$ 359,061	\$ 2,161	\$ 9,867	\$ 20,676	\$ 21,172	\$ 1,451,860	\$ 6,881,938
Miscellaneous Receivables	-	-	-	-	-	250,542	\$ 250,542
<b>Total Assets</b>	<b>\$ 359,061</b>	<b>\$ 2,161</b>	<b>\$ 9,867</b>	<b>\$ 20,676</b>	<b>\$ 21,172</b>	<b>\$ 1,702,402</b>	<b>\$ 7,132,480</b>
<b>Liabilities</b>							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500	\$ 5,637
Due to Other Governments	-	-	-	-	-	1,622,551	1,622,551
Miscellaneous Liabilities	-	-	9,867	7,237	180	75,351	92,635
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>9,867</b>	<b>7,237</b>	<b>180</b>	<b>1,702,402</b>	<b>1,720,823</b>
<b>Net Position</b>							
Restricted for:							
Cash Bonds	359,061	-	-	-	-	-	359,061
Court Registry	-	-	-	-	-	-	2,506,415
General Trust	-	2,161	-	-	-	-	2,511,750
Seizure	-	-	-	13,439	-	-	13,439
Flowers or Donations	-	-	-	-	20,992	-	20,992
<b>Total Net Position</b>	<b>\$ 359,061</b>	<b>\$ 2,161</b>	<b>\$ -</b>	<b>\$ 13,439</b>	<b>\$ 20,992</b>	<b>\$ -</b>	<b>\$ 5,411,657</b>



## Combining Statement of Changes in Fiduciary Net Position Custodial Funds September 30, 2021

	<u>Court Registry</u>	<u>Fine and Cost</u>	<u>Intangible Tax</u>	<u>State Documentary Stamp</u>	<u>Clerk Suspense</u>	<u>Tax Redemption</u>	<u>Ordinary Witness</u>
<b>Additions</b>							
Deposits in Court Registry	\$ 7,209,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recording Fees	73,360	-	7,571,628	34,940,063	-	-	-
Deposits for Real Estate Auction	1,801,520	-	-	-	-	-	-
Deposits for Tax Deeds	-	-	-	-	-	1,696,894	-
Deposits for Restitution	-	-	-	-	153,477	-	-
Deposits for Bonds	-	-	-	-	-	-	-
Payments from State	-	-	-	-	-	-	234
Payments from Individuals	-	3,656,905	-	-	835,260	-	-
Unclaimed Funds	-	-	-	-	-	-	-
Child Support Purges and Levies	-	-	-	-	-	-	-
Cash Seized	-	-	-	-	-	-	-
Property Tax Collections for Other Governments	-	-	-	-	-	-	-
Other Taxes and Fees for Other Governments	-	-	-	-	-	-	-
License and Fees Collected for State	-	-	-	-	-	-	-
Other Fees Collected for Other Entities	-	-	-	-	-	-	-
<b>Total Additions</b>	<b>\$ 9,084,715</b>	<b>\$ 3,656,905</b>	<b>\$ 7,571,628</b>	<b>\$ 34,940,063</b>	<b>\$ 988,737</b>	<b>\$ 1,696,894</b>	<b>\$ 234</b>
<b>Deductions</b>							
Release of Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Refunds of Real Estate Auction Deposits	1,374,173	-	-	-	-	536,495	-
Tax Deed Deferred	-	-	-	-	-	488,451	-
Payments to State	67,913	2,246,063	8,194,477	37,568,205	803,467	-	-
Payments to Local Agencies	-	1,354,703	46,167	180,469	1,495	-	-
Payments for Witnesses	-	-	-	-	-	-	3,938
Payments to Victims	-	-	-	-	153,476	-	-
Refunds	-	-	-	-	16,848	164,198	-
Court Ordered Disbursements	6,501,565	-	-	-	-	-	-
Flower Fund	-	-	-	-	-	-	-
Purges and Levies Paid to Other Agencies	-	-	-	-	-	-	-
Payments to Law Enforcement Trust	-	-	-	-	-	-	-
Payments of Property Tax to Other Governments	-	-	-	-	-	-	-
Payments of Other Taxes and Fees to Other Governments	-	-	-	-	-	-	-
Payments to Other Entities	-	-	-	-	-	-	-
<b>Total Deductions</b>	<b>\$ 7,943,651</b>	<b>\$ 3,600,766</b>	<b>\$ 8,240,644</b>	<b>\$ 37,748,674</b>	<b>\$ 975,286</b>	<b>\$ 1,189,144</b>	<b>\$ 3,938</b>
Changes in Net Position	1,141,064	56,139	(669,016)	(2,808,611)	13,451	507,750	(3,704)
Net Position Beginning	1,365,351	186,898	687,179	3,447,298	48,847	1,006,621	36,737
<b>Net Position Ending</b>	<b>\$ 2,506,415</b>	<b>\$ 243,037</b>	<b>\$ 18,163</b>	<b>\$ 638,687</b>	<b>\$ 62,298</b>	<b>\$ 1,514,371</b>	<b>\$ 33,033</b>

### Combining Statement of Changes in Fiduciary Net Position Custodial Funds - Continued September 30, 2021

	Bail Bonds	Clerk Flower Trust	Sheriff Suspense	Sheriff Seizure	Sheriff Flower	Tax Fund	Totals
<b>Additions</b>							
Deposits in Court Registry	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,209,835
Recording Fees	-	-	-	-	-	-	42,585,051
Deposits for Real Estate Auction	-	-	-	-	-	-	1,801,520
Deposits for Tax Deeds	-	-	-	-	-	-	1,696,894
Deposits for Restitution	-	-	-	-	-	-	153,477
Deposits for Bonds	779,654	-	-	-	-	-	779,654
Payments from State	-	-	-	-	-	-	234
Payments from Individuals	-	852	-	-	3,349	-	4,496,366
Unclaimed Funds	26,616	-	-	-	-	-	26,616
Child Support Purges and Levies	-	-	75,460	-	-	-	75,460
Cash Seized	-	-	-	7,801	-	-	7,801
Property Tax Collections for Other Governments	-	-	-	-	-	158,007,739	158,007,739
Other Taxes and Fees for Other Governments	-	-	-	-	-	741,086	741,086
License and Fees Collected for State	-	-	-	-	-	30,247,037	30,247,037
Other Fees Collected for Other Entities	-	-	-	-	-	5,436,432	5,436,432
<b>Total Additions</b>	<b>\$ 806,270</b>	<b>\$ 852</b>	<b>\$ 75,460</b>	<b>\$ 7,801</b>	<b>\$ 3,349</b>	<b>\$ 194,432,294</b>	<b>\$ 253,265,202</b>
<b>Deductions</b>							
Release of Bonds	\$ 700,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 700,643
Refunds of Real Estate Auction Deposits	-	-	-	-	-	-	1,910,668
Tax Deed Deferred	-	-	-	-	-	-	488,451
Payments to State	-	-	-	-	-	30,247,037	79,127,162
Payments to Local Agencies	26,616	-	-	-	-	-	1,609,450
Payments for Witnesses	-	-	-	-	-	-	3,938
Payments to Victims	-	-	-	-	-	-	153,476
Refunds	-	-	-	-	-	-	181,046
Court Ordered Disbursements	-	-	-	-	-	-	6,501,565
Flower Fund	-	431	-	-	-	-	431
Purges and Levies Paid to Other Agencies	-	-	75,460	-	1,733	-	77,193
Payments to Law Enforcement Trust	-	-	-	7,652	-	-	7,652
Payments of Property Tax to Other Governments	-	-	-	-	-	158,007,739	158,007,739
Payments of Other Taxes and Fees to Other Governments	-	-	-	-	-	741,086	741,086
Payments to Other Entities	-	-	-	-	-	5,436,432	5,436,432
<b>Total Deductions</b>	<b>\$ 727,259</b>	<b>\$ 431</b>	<b>\$ 75,460</b>	<b>\$ 7,652</b>	<b>\$ 1,733</b>	<b>\$ 194,432,294</b>	<b>\$ 254,946,932</b>
Changes in Net Position	79,011	421	-	149	1,616	-	(1,681,730)
Net Position Beginning, Restated	280,050	1,740	-	13,290	19,376	-	7,093,387
<b>Net Position Ending</b>	<b>\$ 359,061</b>	<b>\$ 2,161</b>	<b>\$ -</b>	<b>\$ 13,439</b>	<b>\$ 20,992</b>	<b>\$ -</b>	<b>\$ 5,411,657</b>





**Statistical**  
section

## Statistical section

This part of Santa Rosa County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

### 129 **Financial Trends**

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

### 135 **Revenue Capacity**

These schedules contain information to help the reader assess the governments most significant local revenue source, the property tax.

### 139 **Debt Capacity**

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

### 142 **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment which the government's financial activities take place.

### 145 **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year.

**Net Position By Category**  
**Last Ten Fiscal Years**  
**(Unaudited)**  
**(accrual basis of accounting)**

	Fiscal Year				
	2012	2013	2014	2015	2016
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 131,087,734	\$ 133,506,512	\$ 130,795,701	\$ 135,370,552	\$ 139,306,062
Restricted	32,382,803	22,387,475	23,548,402	25,790,229	14,142,440
Unrestricted	24,272,173	27,789,157	29,782,242	(5,401,187)	3,139,025
<b>Governmental Activities Net Position</b>	<b>187,742,710</b>	<b>183,683,144</b>	<b>184,126,345</b>	<b>155,759,594</b>	<b>156,587,527</b>
<b>Business-type Activities</b>					
Net Investment in Capital Assets	10,411,539	11,055,493	11,967,295	12,195,766	14,179,449
Restricted	4,061,168	4,752,608	4,966,334	5,226,306	8,639,599
Unrestricted	510,657	138,096	(163,114)	872,240	(512,914)
<b>Business-type Activities Net Position</b>	<b>14,983,364</b>	<b>15,946,197</b>	<b>16,770,515</b>	<b>18,294,312</b>	<b>22,306,134</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	141,499,273	144,562,005	142,762,996	147,566,318	153,485,511
Restricted	36,443,971	27,140,083	28,514,736	31,016,535	22,782,039
Unrestricted	24,782,830	27,927,253	29,619,128	(4,528,947)	2,626,111
<b>Primary Government Net Position</b>	<b>\$ 202,726,074</b>	<b>\$ 199,629,341</b>	<b>\$ 200,896,860</b>	<b>\$ 174,053,906</b>	<b>\$ 178,893,661</b>
<b>Governmental Activities</b>					
Fiscal Year					
	2017	2018	2019	2020	2021
Net Investment in Capital Assets	\$ 138,455,254	\$ 143,546,487	\$ 160,555,326	\$ 185,355,064	\$ 188,258,381
Restricted	18,257,036	16,813,623	18,026,667	23,951,628	40,641,717
Unrestricted	3,552,425	8,509,671	(6,037,439)	(22,567,012)	(9,488,131)
<b>Governmental Activities Net Position</b>	<b>160,264,715</b>	<b>168,869,781</b>	<b>172,544,554</b>	<b>186,739,680</b>	<b>219,411,967</b>
<b>Business-type Activities</b>					
Net Investment in Capital Assets	14,826,919	17,650,472	25,192,457	26,540,665	30,061,433
Restricted	10,035,008	521,014	-	-	3,393,954
Unrestricted	1,665,310	5,250,192	4,218,096	10,584,302	21,255,869
<b>Business-type Activities Net Position</b>	<b>26,527,237</b>	<b>23,421,678</b>	<b>29,410,553</b>	<b>37,124,967</b>	<b>54,711,256</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	153,282,173	161,196,959	185,747,783	211,895,729	218,319,814
Restricted	28,292,044	17,334,637	18,026,667	23,951,628	40,641,717
Unrestricted	5,217,735	13,759,863	(1,819,343)	(11,982,710)	11,767,738
<b>Primary Government Net Position</b>	<b>\$ 186,791,952</b>	<b>\$ 192,291,459</b>	<b>\$ 201,955,107</b>	<b>\$ 223,864,647</b>	<b>\$ 270,729,269</b>

### Changes In Net Position - Expenses

#### Last Ten Fiscal Years

(Unaudited)  
 (accrual basis of accounting)

Expenses	Fiscal Year				
	2012	2013	2014	2015	2016
<b>Governmental Activities:</b>					
General Government	\$ 32,570,186	\$ 35,322,678	\$ 32,077,210	\$ 33,323,950	\$ 34,534,581
Public Safety	38,621,376	39,189,911	43,539,307	43,855,080	47,580,239
Physical Environment	4,858,171	3,697,513	2,670,154	3,232,111	16,540,405
Transportation	17,262,229	15,368,137	18,931,798	6,301,085	12,053,535
Economic Environment	2,512,105	2,842,783	3,677,666	4,138,167	3,585,571
Human Services	5,355,802	5,297,919	5,557,949	5,632,639	5,209,959
Culture and Recreation	2,837,640	1,220,483	4,053,156	4,458,293	4,430,637
Interest On Long-term Debt	310,886	248,439	189,570	151,820	851,086
<b>Total Governmental Activities</b>	<b>104,328,395</b>	<b>103,187,863</b>	<b>110,696,810</b>	<b>101,093,145</b>	<b>124,786,013</b>
<b>Business-type Activities:</b>					
Navarre Beach Water and Sewer	1,790,622	1,774,576	1,959,739	1,840,277	2,019,652
Peter Prince Airport	531,658	505,658	448,747	434,803	439,498
Landfill	2,621,080	3,700,852	4,241,176	4,661,715	4,072,679
<b>Total Business-type Activities</b>	<b>4,943,360</b>	<b>5,981,086</b>	<b>6,649,662</b>	<b>6,936,795</b>	<b>6,531,829</b>
<b>Total Government Expenses</b>	<b>\$ 109,271,755</b>	<b>\$ 109,168,949</b>	<b>\$ 117,346,472</b>	<b>\$ 108,029,940</b>	<b>\$ 131,317,842</b>

Expenses	Fiscal Year				
	2017	2018	2019	2020	2021
<b>Governmental Activities:</b>					
General Government	\$ 37,755,441	\$ 34,666,832	\$ 44,503,615	\$ 47,658,998	\$ 46,740,092
Public Safety	53,019,105	56,939,023	67,942,448	77,119,442	74,022,556
Physical Environment	2,998,450	5,972,999	13,076,260	10,306,476	2,887,030
Transportation	18,934,987	16,294,559	12,129,579	14,885,818	19,401,797
Economic Environment	4,199,033	4,719,843	5,923,430	3,950,617	5,404,978
Human Services	5,057,580	4,757,808	5,268,916	5,996,196	7,016,076
Culture and Recreation	4,936,498	5,603,068	5,884,463	7,343,967	4,716,703
Interest On Long-term Debt	(426,343)	145,914	104,063	142,169	715,958
<b>Total Governmental Activities</b>	<b>126,474,751</b>	<b>129,100,046</b>	<b>154,832,774</b>	<b>167,403,683</b>	<b>160,905,190</b>
<b>Business-type Activities:</b>					
Navarre Beach Water and Sewer	2,189,343	2,263,432	2,466,621	2,541,597	2,070,412
Inspections	-	2,069,711	2,048,065	2,473,657	2,402,559
Peter Prince Airport	1,693,306	550,774	575,137	849,076	547,568
Landfill	4,696,121	11,583,634	6,825,399	7,636,450	2,683,431
<b>Total Business-type Activities</b>	<b>8,578,770</b>	<b>16,467,551</b>	<b>11,915,222</b>	<b>13,500,780</b>	<b>7,703,970</b>
<b>Total Government Expenses</b>	<b>\$ 135,053,521</b>	<b>\$ 145,567,597</b>	<b>\$ 166,747,996</b>	<b>\$ 180,904,463</b>	<b>\$ 168,609,160</b>

\* Inspections was implemented as a separate business-type activity starting FY 2018



## Changes In Net Position - Program Revenues

### Last Ten Fiscal Years

(Unaudited)  
(accrual basis of accounting)

Program Revenues	Fiscal Year				
	2012	2013	2014	2015	2016
<b>Governmental Activities:</b>					
Charges for Services:					
General Government	\$ 18,081,960	\$ 18,032,139	\$ 19,838,193	\$ 20,486,568	\$ 20,165,926
Public Safety	4,370,643	3,577,641	4,699,449	7,228,652	7,526,515
Physical Environment	5,782,002	5,165,440	5,707,544	5,431,080	4,680,733
Transportation	261,684	246,785	191,636	146,383	47,551
Human Services	36,603	32,892	37,188	33,079	37,259
Culture and Recreation	380,985	336,709	403,688	391,097	488,274
Operating Grants and Contributions	8,833,949	5,819,975	3,881,017	2,760,609	12,902,748
Capital Grants and Contributions	5,162,953	2,018,166	3,884,357	2,879,592	3,091,704
<b>Total Governmental Activities Program Revenues</b>	<b>42,910,779</b>	<b>35,229,747</b>	<b>38,643,072</b>	<b>39,357,060</b>	<b>48,940,710</b>
<b>Business-type Activities:</b>					
Charges for Services:					
Navarre Beach Water and Sewer	1,690,378	1,880,831	1,904,215	2,091,096	2,124,356
Peter Prince Airport	231,914	250,643	253,484	269,440	297,943
Landfill	4,057,528	4,290,879	4,808,104	5,886,791	7,965,978
Capital Grants and Contributions	680,971	347,459	329,224	815,405	67,154
<b>Total Business-type Activities</b>	<b>6,660,791</b>	<b>6,769,812</b>	<b>7,295,027</b>	<b>9,062,732</b>	<b>10,455,431</b>
<b>Total Government Program Revenues</b>	<b>\$ 49,571,570</b>	<b>\$ 41,999,559</b>	<b>\$ 45,938,099</b>	<b>\$ 48,419,792</b>	<b>\$ 59,396,141</b>
<b>Net (Expense)/revenue</b>					
Governmental Activities	\$ (61,417,616)	\$ (67,958,116)	\$ (72,053,738)	\$ (61,736,085)	\$ (75,845,303)
Business-type Activities	1,717,431	788,726	645,365	2,125,937	3,923,602
<b>Total Government Net Expense</b>	<b>\$ (69,319,474)</b>	<b>\$ (59,700,185)</b>	<b>\$ (67,169,390)</b>	<b>\$ (59,610,792)</b>	<b>\$ (71,921,701)</b>

Program Revenues	Fiscal Year				
	2017	2018	2019	2020	2021
<b>Governmental Activities:</b>					
Charges for Services:					
General Government	\$ 21,197,918	\$ 21,841,976	\$ 21,834,143	\$ 21,871,252	\$ 25,333,440
Public Safety	6,896,820	3,244,589	5,112,437	5,465,077	4,119,687
Physical Environment	4,905,470	4,795,879	6,253,640	4,576,373	4,580,401
Transportation	89,554	1,930	61,917	1,339	-
Human Services	40,752	41,886	40,422	39,828	33,908
Culture and Recreation	494,203	497,209	548,804	428,720	673,632
Operating Grants and Contributions	3,682,161	5,828,954	8,214,191	30,483,218	29,194,878
Capital Grants and Contributions	819,579	4,137,239	6,127,420	14,337,999	12,146,602
<b>Total Governmental Activities Program Revenues</b>	<b>38,126,457</b>	<b>40,389,662</b>	<b>48,192,974</b>	<b>77,203,806</b>	<b>76,082,548</b>
<b>Business-type Activities:</b>					
Charges for Services:					
Navarre Beach Water and Sewer	2,163,525	2,242,090	2,377,243	2,273,197	2,500,689
Inspections	-	2,799,768	3,252,216	4,404,116	5,308,350
Peter Prince Airport	297,426	299,295	305,168	300,817	324,930
Landfill	9,503,609	9,677,360	11,399,817	12,597,507	16,961,961
Capital Grants and Contributions	1,080,363	33,819	329,652	812,540	801,537
<b>Total Business-type Activities</b>	<b>13,044,923</b>	<b>15,052,332</b>	<b>17,664,096</b>	<b>20,388,177</b>	<b>25,897,467</b>
<b>Total Government Program Revenues</b>	<b>\$ 51,171,380</b>	<b>\$ 55,441,994</b>	<b>\$ 65,857,070</b>	<b>\$ 97,591,983</b>	<b>\$ 101,980,015</b>
<b>Net (Expense)/revenue</b>					
Governmental Activities	\$ (88,348,294)	\$ (88,710,384)	\$ (106,639,800)	\$ (90,199,877)	\$ (84,822,642)
Business-type Activities	4,466,153	(1,415,219)	5,748,874	6,887,397	18,193,497
<b>Total Government Net Expense</b>	<b>\$ (83,882,141)</b>	<b>\$ (90,125,603)</b>	<b>\$ (100,890,926)</b>	<b>\$ (83,312,480)</b>	<b>\$ (66,629,145)</b>

\* Inspections was implemented as a separate business-type activity starting FY 2018

## Changes In Net Position - General Revenues And Other Changes Last Ten Fiscal Years (Unaudited) (accrual basis of accounting)

	Fiscal Year				
	2012	2013	2014	2015	2016
<b>General Revenues and Other Changes in Net Position</b>					
<b>Governmental Activities:</b>					
Taxes					
Property Taxes	\$ 44,209,879	\$ 42,806,636	\$ 48,305,322	\$ 46,335,319	\$ 49,251,991
Sales, Use and Fuel Taxes	4,965,861	5,106,283	5,521,730	6,182,387	9,220,510
Communication Services Taxes	1,461,621	1,474,562	1,415,391	1,363,480	1,264,504
Unrestricted Grants and Contributions	12,523,404	13,029,453	13,791,230	14,226,746	14,929,576
Unrestricted Investment Earnings	431,939	137,829	87,033	163,795	309,686
Miscellaneous	595,156	1,344,805	1,675,778	2,322,467	1,696,967
Gain On Sale of Assets	65,596	24,041	1,700,455	-	-
Transfers	(637,906)	(25,060)	-	(142,066)	-
<b>Total Governmental Activities</b>	<b>63,615,550</b>	<b>63,898,549</b>	<b>72,496,939</b>	<b>70,452,128</b>	<b>76,673,234</b>
<b>Business-type Activities:</b>					
Unrestricted Grants and Contributions	-	-	10,611	57,894	-
Unrestricted Investment Earnings	112,147	30,161	36,488	6,660	91,861
Miscellaneous	341	2,660	21,402	235,101	11,044
Gain On Sale of Assets	306,836	116,226	110,452	-	85,312
Transfers	637,906	25,060	-	142,066	-
<b>Total Business-type Activities</b>	<b>1,057,230</b>	<b>174,107</b>	<b>178,953</b>	<b>441,721</b>	<b>188,217</b>
<b>Total Government</b>	<b>\$ 64,672,780</b>	<b>\$ 64,072,656</b>	<b>\$ 72,675,892</b>	<b>\$ 70,893,849</b>	<b>\$ 76,861,451</b>
<b>Change in Net Position</b>					
Governmental Activities	\$ 2,197,934	\$ (4,059,567)	\$ 443,201	\$ 8,716,043	\$ 827,931
Business-type Activities	2,774,661	962,833	824,318	2,567,658	4,111,819
<b>Total Government</b>	<b>\$ 4,972,595</b>	<b>\$ (3,096,734)</b>	<b>\$ 1,267,519</b>	<b>\$ 11,283,701</b>	<b>\$ 4,939,750</b>

	Fiscal Year				
	2017	2018	2019	2020	2021
<b>General Revenues and Other Changes in Net Position</b>					
<b>Governmental Activities:</b>					
Taxes					
Property Taxes	\$ 49,696,434	\$ 51,841,396	\$ 56,284,626	\$ 60,822,610	\$ 65,623,243
Sales, Use and Fuel Taxes	15,431,701	22,250,020	23,346,073	21,602,823	25,981,294
Communication Services Taxes	1,179,568	1,246,878	1,135,739	1,168,514	1,143,101
Unrestricted Grants and Contributions	15,654,668	15,716,188	17,227,434	17,065,719	20,968,519
Unrestricted Investment Earnings	539,578	1,235,761	1,760,570	899,130	138,790
Miscellaneous	8,988,712	2,497,875	10,111,508	3,050,125	4,017,359
Transfers	534,822	2,063,351	444,116	(213,923)	730,120
<b>Total Governmental Activities</b>	<b>92,025,483</b>	<b>96,851,469</b>	<b>110,310,066</b>	<b>104,394,998</b>	<b>118,602,426</b>
<b>Business-type Activities:</b>					
Unrestricted Investment Earnings	139,703	243,890	708,723	520,265	37,949
Miscellaneous	61,301	35,852	30,111	520	5,120
Gain On Sale of Assets	69,882	67,771	(54,717)	92,309	79,840
Transfers	(515,937)	(2,063,351)	(444,116)	213,923	(730,120)
<b>Total Business-type Activities</b>	<b>(245,051)</b>	<b>(1,715,838)</b>	<b>240,001</b>	<b>827,017</b>	<b>(607,211)</b>
<b>Total Government</b>	<b>\$ 91,780,432</b>	<b>\$ 95,135,631</b>	<b>\$ 110,550,067</b>	<b>\$ 105,222,015</b>	<b>\$ 117,995,215</b>
<b>Change in Net Position</b>					
Governmental Activities	\$ 3,677,189	\$ 8,141,085	\$ 3,670,266	\$ 14,195,121	\$ 33,779,784
Business-type Activities	4,221,102	(3,131,057)	5,988,875	7,714,414	17,586,286
<b>Total Government</b>	<b>\$ 7,898,291</b>	<b>\$ 5,010,028</b>	<b>\$ 9,659,141</b>	<b>\$ 21,909,535</b>	<b>\$ 51,366,070</b>

**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Unaudited)**  
**(modified accrual basis of accounting)**

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	Fiscal Year				
	2012	2013	2014	2015	2016
<b>General Fund</b>					
Nonspendable					
Nonspendable	\$ 135,386	\$ 82,751	\$ 107,193	\$ 90,672	\$ 62,459
Spendable					
Restricted	1,407,140	1,456,353	1,733,869	1,901,139	2,033,211
Committed	3,596,898	3,597,664	3,598,490	3,599,211	3,599,876
Assigned	190,222	195,317	8,586,073	8,805,007	2,967,560
Unassigned	22,187,824	25,370,006	23,606,591	24,700,673	31,055,759
<b>Total General Fund</b>	<b>\$ 27,517,470</b>	<b>\$ 30,702,091</b>	<b>\$ 37,632,216</b>	<b>\$ 39,096,702</b>	<b>\$ 39,718,865</b>
<b>All Other Governmental Funds</b>					
Nonspendable					
Nonspendable	\$ 425,346	\$ 519,971	\$ 304,885	\$ 318,926	\$ 315,881
Spendable					
Restricted	15,894,090	10,872,229	12,011,918	11,021,558	12,109,229
Committed	11,188,029	9,486,005	9,462,579	9,008,363	8,385,969
Assigned	11,992,066	9,669,577	6,676,129	7,258,486	8,907,488
Unassigned	(173,433)	(226,872)	(1,135,383)	(208,078)	(1,695,801)
<b>Total All Other Governmental Funds</b>	<b>\$ 39,326,098</b>	<b>\$ 30,320,910</b>	<b>\$ 27,320,128</b>	<b>\$ 27,399,255</b>	<b>\$ 28,022,766</b>

	Fiscal Year				
	2017	2018	2019	2020	2021
<b>General Fund</b>					
Nonspendable					
Nonspendable	\$ 72,278	\$ 69,487	\$ 82,929	\$ 78,837	\$ 92,746
Spendable					
Restricted	2,154,342	2,241,173	2,080,921	2,112,038	1,597,453
Committed	3,600,551	3,601,260	3,601,898	50,668	50,961
Assigned	2,797,226	3,068,669	3,593,803	4,453,703	5,538,442
Unassigned	33,735,553	37,463,097	34,347,223	42,442,838	40,117,694
<b>Total General Fund</b>	<b>\$ 42,359,950</b>	<b>\$ 46,443,686</b>	<b>\$ 43,706,774</b>	<b>\$ 49,138,084</b>	<b>\$ 47,397,296</b>
<b>All Other Governmental Funds</b>					
Nonspendable					
Nonspendable	\$ 354,955	\$ 345,224	\$ 304,304	\$ 809,336	\$ 244,831
Spendable					
Restricted	16,102,694	14,572,450	15,945,746	21,839,589	52,650,956
Committed	9,236,431	10,125,637	12,081,897	6,261,377	1,949,434
Assigned	9,791,607	10,973,321	7,847,916	4,966,935	4,883,792
Unassigned	(787,135)	(438,508)	(270,524)	(182,512)	(188,418)
<b>Total All Other Governmental Funds</b>	<b>\$ 34,698,552</b>	<b>\$ 35,578,124</b>	<b>\$ 35,909,339</b>	<b>\$ 33,694,725</b>	<b>\$ 59,540,595</b>

Note: Ten years data available for post GASB-54 compliance.

## Changes In Fund Balances All Governmental Fund Types Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Taxes	\$50,637,361	\$49,387,481	\$55,242,443	\$53,881,186	\$59,737,006	\$66,307,703	\$75,338,294	\$80,766,438	\$83,593,948	\$92,747,638
Permits, Fees and Special Assessments <sup>(1)</sup>	12,574,192	12,310,017	13,251,694	13,213,555	13,747,389	14,185,289	11,769,439	13,460,617	11,864,624	12,575,209
Intergovernmental	24,970,033	21,050,905	21,745,969	20,163,571	31,201,335	20,450,515	25,909,785	30,676,851	52,779,178	55,273,767
Charges for Services	10,487,027	10,559,196	12,285,986	15,335,216	14,661,408	14,913,717	13,851,454	15,378,297	15,500,924	16,935,410
Fines and Forfeitures	482,381	600,577	1,270,224	1,463,623	1,412,344	1,444,898	1,347,679	1,444,555	1,589,074	1,584,110
Miscellaneous	4,060,676	3,586,195	5,652,134	3,376,219	3,166,862	3,479,581	4,184,541	6,263,474	4,105,854	4,225,597
<b>Total Revenues</b>	<b>103,211,670</b>	<b>97,494,371</b>	<b>109,448,450</b>	<b>107,433,370</b>	<b>123,926,344</b>	<b>120,781,703</b>	<b>132,401,192</b>	<b>147,990,232</b>	<b>169,433,602</b>	<b>183,341,731</b>
<b>Expenditures</b>										
General Government	27,362,444	25,555,181	27,665,859	28,832,963	28,320,515	30,187,666	29,643,720	39,202,349	41,469,829	50,614,457
Public Safety	37,917,752	39,773,530	43,474,891	45,351,135	43,704,141	48,958,472	55,091,743	61,523,944	68,909,625	78,191,141
Physical Environment	4,822,389	3,578,143	2,547,824	3,257,125	16,356,077	2,835,197	6,303,950	12,833,590	11,074,990	5,080,242
Transportation	15,690,345	19,317,046	17,551,654	12,885,058	13,640,571	15,923,262	19,313,501	17,189,151	22,375,506	16,366,281
Economic Environment	2,516,642	2,752,647	3,607,947	4,068,837	3,427,798	4,203,529	4,581,029	5,757,690	4,694,136	5,288,003
Human Services	5,468,780	5,215,463	5,449,681	5,944,871	5,003,386	5,046,765	4,746,285	5,258,684	5,956,334	7,082,636
Culture and Recreation	2,695,246	2,875,555	2,867,276	3,235,694	2,916,554	3,307,556	4,480,244	4,469,669	5,662,522	4,859,727
Capital Outlay	1,048,244	2,191,074	488,191	349,049	12,644,982	1,770	2,417,398	2,665,420	8,743,442	33,945,647
Debt Service										
Principal	5,618,597	1,430,597	1,259,276	1,193,194	1,773,560	1,428,549	1,968,707	1,100,079	1,275,559	1,747,042
Interest	310,886	213,123	172,712	134,732	196,066	156,236	154,384	117,288	119,595	119,595
<b>Total Expenditures</b>	<b>103,451,325</b>	<b>102,902,359</b>	<b>105,085,311</b>	<b>105,252,658</b>	<b>127,983,650</b>	<b>112,049,002</b>	<b>128,700,961</b>	<b>150,117,864</b>	<b>170,281,538</b>	<b>203,294,771</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(239,655)</b>	<b>(5,407,988)</b>	<b>4,363,139</b>	<b>2,180,712</b>	<b>(4,057,306)</b>	<b>8,732,701</b>	<b>3,700,231</b>	<b>(2,127,632)</b>	<b>(847,936)</b>	<b>(19,953,040)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	19,908,478	8,953,304	10,209,704	12,423,537	13,448,087	12,237,875	20,409,367	20,776,838	27,004,305	33,616,202
Transfers Out	(21,046,384)	(9,429,123)	(10,705,368)	(13,065,603)	(13,398,087)	(11,703,053)	(20,744,047)	(21,288,432)	(28,191,228)	(32,886,082)
New Debt Issue	-	-	-	-	5,279,240	-	1604000	273,965	5,302,518	12,035,500
Refunding Debt	268,350	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(869,556)</b>	<b>(475,819)</b>	<b>(495,664)</b>	<b>(642,066)</b>	<b>5,329,240</b>	<b>534,822</b>	<b>1,269,320</b>	<b>(237,629)</b>	<b>4,115,595</b>	<b>12,765,620</b>
<b>Net Change in Fund Balances</b>	<b>(1,109,211)</b>	<b>(5,883,807)</b>	<b>3,867,475</b>	<b>1,538,646</b>	<b>1,271,934</b>	<b>9,267,523</b>	<b>4,969,551</b>	<b>(2,365,261)</b>	<b>3,267,659</b>	<b>(7,187,420)</b>
Debt Service As a Percentage of Noncapital Expenditures	6%	2%	1%	1%	2%	1%	2%	1%	1%	1%

<sup>(1)</sup> The state mandated chart of accounts was modified to move special assessments from Miscellaneous to a newly named category Permits, Fees and Special Assessments.

Franchise fees were reclassified from Taxes to Permits and Fees

**Just And Taxable Value of Real And Personal Property  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Real Property	Personal Property	Real Property Exemptions	Personal Property Exemptions	Less: Tax Exempt Property	Real Property Taxable Value	Personal Property Taxable Value	Total Just Value	Total Taxable Assessed Value	Total Direct Tax Rate
2012	\$ 10,757,912,195	\$ 629,709,562	\$ 4,112,453,855	\$ 51,555,173	\$ 4,164,009,028	\$ 6,645,458,340	\$ 578,154,389	\$ 11,387,621,757	\$ 7,223,612,729	\$ 6.0953
2013	\$ 10,868,923,522	\$ 624,513,661	\$ 4,126,017,929	\$ 50,179,329	\$ 4,176,197,258	\$ 6,742,905,593	\$ 574,334,332	\$ 11,493,437,183	\$ 7,317,239,925	\$ 6.0953
2014	\$ 11,632,334,984	\$ 605,255,817	\$ 4,497,322,031	\$ 50,842,317	\$ 4,548,164,348	\$ 7,135,012,953	\$ 554,413,500	\$ 12,237,590,801	\$ 7,689,426,453	\$ 6.0953
2015	\$ 11,995,646,721	\$ 627,728,822	\$ 4,514,497,235	\$ 349,017,918	\$ 4,863,515,153	\$ 7,481,149,486	\$ 278,710,904	\$ 12,623,375,543	\$ 7,759,860,390	\$ 6.0953
2016	\$ 12,499,933,594	\$ 661,823,887	\$ 4,740,517,328	\$ 51,988,439	\$ 4,792,505,767	\$ 7,759,416,266	\$ 609,835,448	\$ 13,161,757,481	\$ 8,369,251,714	\$ 6.0953
2017	\$ 13,127,940,336	\$ 680,101,947	\$ 4,967,098,700	\$ 48,847,262	\$ 5,015,945,962	\$ 8,160,841,636	\$ 631,254,685	\$ 13,808,042,283	\$ 8,792,096,321	\$ 6.0953
2018	\$ 14,345,023,878	\$ 747,289,282	\$ 4,746,010,616	\$ 75,186,719	\$ 4,821,197,335	\$ 9,599,013,262	\$ 672,102,563	\$ 15,092,313,160	\$ 10,271,115,825	\$ 6.0953
2019	\$ 15,536,241,039	\$ 780,898,125	\$ 5,898,391,227	\$ 91,223,721	\$ 5,989,614,948	\$ 9,637,849,812	\$ 689,674,404	\$ 16,317,139,164	\$ 10,327,524,216	\$ 6.0953
2020	\$ 16,961,974,463	\$ 823,083,072	\$ 6,503,125,337	\$ 85,395,842	\$ 6,588,521,179	\$ 10,458,849,126	\$ 737,687,230	\$ 17,785,057,535	\$ 11,196,536,356	\$ 6.0953
2021	\$ 19,081,193,231	\$ 860,667,436	\$ 7,600,043,926	\$ 89,767,155	\$ 7,689,811,081	\$ 11,481,149,305	\$ 770,900,281	\$ 19,941,860,667	\$ 12,252,049,586	\$ 6.0953

Source: Property Appraiser, Santa Rosa County

## Property Tax Rates Direct And Overlapping Governments Last Ten Fiscal Years (Unaudited)

Year	Santa Rosa County Operating Millage				Overlapping Rates									Total Millage
	General Fund	Road & Bridge Fund	Fine & Forfeiture Fund	Total County	School Board Operating Millage	City of Gulf Breeze Operating Millage	City of Milton Operating Millage	City of Jay Operating Millage	Avalon-Mulat Fire District Millage	Midway Fire District Millage	Pace Fire District Millage	NW Florida Water Management Millage		
2012	5.9793	0.1040	0.0120	6.0953	7.9160	1.9000	3.2373	2.0000	1.0000	1.4000	-	0.0400	23.5886	
2013	5.9793	0.1040	0.0120	6.0953	7.6680	1.9000	3.2730	2.0000	1.0000	1.6000	-	0.0400	23.5763	
2014	6.0856	-	0.0097	6.0953	7.4430	1.9723	3.2373	2.0000	2.0000	1.7500	-	0.0390	24.5369	
2015	6.0953	-	-	6.0953	7.2020	1.9723	3.2373	2.0000	2.0000	1.7500	-	0.0378	24.2947	
2016	6.0953	-	-	6.0953	6.8400	1.9723	3.2373	2.0000	2.0000	1.8500	-	0.0366	24.0315	
2017	6.0953	-	-	6.0953	6.8400	1.9723	3.2373	2.0000	2.0000	1.8500	-	0.0353	24.0302	
2018	6.0953	-	-	6.0953	6.2990	1.9723	3.2373	2.5000	2.0000	2.2000	-	0.0338	24.3377	
2019	6.0953	-	-	6.0953	6.0910	1.9723	3.2373	2.5000	2.0000	2.2000	1.4800	0.0327	25.6086	
2020	6.0953	-	-	6.0953	6.0500	1.9723	3.0841	2.5000	2.0000	2.2000	1.4800	0.0311	25.4182	
2021	6.0953	-	-	6.0953	5.9040	1.9723	2.9900	3.8000	2.0000	2.3818	1.4800	0.0294	26.6528	

Source: Tax Collector, Santa Rosa County

### Principal Taxpayers Current Year And Nine Years Ago (Unaudited)

Taxpayer	2021			2012		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Florida Power & Light/Gulf Power	\$ 181,839,370	1	1.48%	\$ 95,653,771	1	1.32%
Florida Gas Transmission	\$ 91,334,225	2	0.75%	\$ 93,188,251	2	1.29%
Bellsouth Telecomm	\$ 58,972,622	3	0.48%	\$ 38,908,339	5	0.54%
Breitburn Operating LP	\$ 47,813,602	4	0.39%	\$ -		
Taminco Us	\$ 45,937,595	5	0.37%	\$ 21,845,792	9	0.30%
Walmart Stores East	\$ 33,661,155	6	0.27%	\$ 30,067,718	6	0.42%
8375 Navarre Beach Holdings	\$ 27,826,559	7	0.23%	\$ -		
Escambia River Electric Coop	\$ 22,595,504	8	0.18%	\$ -		
Pier Rock I LLC	\$ 21,635,801	9	0.18%	\$ -		
FWD I LLC	\$ 20,180,474	10	0.16%	\$ -		
Quantum Resources	\$ -			\$ 70,672,803	3	0.98%
Santa Rosa Energy	\$ -			\$ 43,763,544	4	0.61%
Santa Rosa II LLC	\$ -			\$ 22,675,630	7	0.31%
Mediacom Southeast LLC	\$ -			\$ 21,990,265	8	0.30%
Andrews Institute Medical Park	\$ -			\$ 16,329,494	10	0.23%
<b>Total Assessed</b>	<b><u>\$12,252,049,586</u></b>			<b><u>\$ 7,223,612,729</u></b>		

Source: Property Appraiser, Santa Rosa County



**Property Tax Levies And Collections**  
**All Governmental Fund Types**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Year	Total Tax Levy	Current and Prior Years Adjustments	Outstanding Delinquent Taxes	Discounts Allowed	Current Tax Collections	Percent of Current Tax Collections to Total Levy	Total Tax Collection	Percent of Total Tax Collection to Total Levy	Percent of Delinquent Taxes to Tax Levy
2012	\$ 44,944,141	\$ (12,852)	\$ 416,988	\$ 1,379,496	\$ 42,951,863	95.57%	\$ 44,331,359	98.64%	0.93%
2013	\$ 44,054,676	\$ 8,243	\$ 328,356	\$ 1,375,961	\$ 42,284,295	95.98%	\$ 43,660,256	99.10%	0.75%
2014	\$ 44,620,332	\$ 8,315	\$ 266,157	\$ 1,433,608	\$ 42,836,934	96.00%	\$ 44,270,542	99.22%	0.60%
2015	\$ 46,948,088	\$ 10,720	\$ 47,384	\$ 1,588,836	\$ 45,266,448	96.42%	\$ 46,855,284	99.80%	0.10%
2016	\$ 49,217,480	\$ 23,618	\$ 43,820	\$ 1,687,131	\$ 47,091,704	95.68%	\$ 48,778,836	99.11%	0.09%
2017	\$ 51,164,884	\$ 2,450	\$ 27,116	\$ 1,768,619	\$ 49,122,581	96.01%	\$ 50,891,200	99.47%	0.05%
2018	\$ 53,680,748	\$ 1,473	\$ 28,909	\$ 1,880,853	\$ 51,692,210	96.30%	\$ 53,573,063	99.80%	0.05%
2019	\$ 58,620,914	\$ 1,413	\$ 412,688	\$ 2,026,716	\$ 56,030,367	95.58%	\$ 58,057,083	99.04%	0.70%
2020	\$ 63,128,171	\$ 25,827	\$ 254,041	\$ 2,205,184	\$ 60,560,940	95.93%	\$ 62,766,125	99.43%	0.40%
2021	\$ 68,585,495	\$ 33,900	\$ 389,366	\$ 2,422,956	\$ 65,739,273	95.85%	\$ 68,162,229	99.38%	0.57%

Source: Tax Collector, Santa Rosa County

**Ratios of Outstanding Debt By Type**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Year	General Obligation Debt	Governmental Activities			Business-type Activities		Total	Percentage of Personal Income	Per Capita
		Revenue- Backed Debt	Special Assessment Debt	Capital Leases	Revenue Debt				
2012	\$ -	\$ 2,296,306	\$ 5,166,457	\$ -	\$ 5,451,581	\$ 12,914,344	0.219%	\$ 83.11	
2013	\$ -	\$ 1,942,442	\$ 4,089,724	\$ -	\$ 4,765,239	\$ 10,797,405	0.178%	\$ 68.63	
2014	\$ -	\$ 1,580,707	\$ 3,192,183	\$ -	\$ 4,058,392	\$ 8,831,282	0.144%	\$ 54.04	
2015	\$ -	\$ 1,210,908	\$ 2,368,788	\$ -	\$ 3,330,357	\$ 6,910,053	0.103%	\$ 41.51	
2016	\$ 4,564,519	\$ 832,801	\$ 1,688,055	\$ -	\$ 2,580,741	\$ 9,666,116	0.139%	\$ 57.88	
2017	\$ 3,837,034	\$ 740,509	\$ 1,079,284	\$ -	\$ 2,102,521	\$ 7,759,348	0.104%	\$ 45.42	
2018	\$ 3,096,555	\$ 58,348	\$ 2,137,218	\$ -	\$ 1,606,035	\$ 6,898,156	0.086%	\$ 39.44	
2019	\$ 2,342,849	\$ 24,074	\$ 2,100,118	\$ -	\$ 1,090,588	\$ 5,557,629	0.071%	\$ 31.06	
2020	\$ 1,575,683	\$ 2,700,000	\$ 4,215,549	\$ -	\$ 1,090,588	\$ 9,581,820	0.113%	\$ 51.89	
2021	\$ 794,815	\$ 46,288,897	\$ 4,478,912	\$ -	\$ 555,568	\$ 52,118,192	0.549%	\$ 271.57	

**Ratios of General Obligation Debt  
 Last Ten Fiscal Years  
 (Unaudited)**

Year	Governmental Activities		Percentage of Actual Taxable Value of Property <sup>(2)</sup>	Per Capita <sup>(1)</sup>
	General Obligation Debt			
2012	\$ -	-	0.000%	\$ -
2013	\$ -	-	0.000%	\$ -
2014	\$ -	-	0.000%	\$ -
2015	\$ -	-	0.000%	\$ -
2016	\$ 4,564,519	-	0.055%	\$ 27
2017	\$ 3,837,034	-	0.044%	\$ 22.46
2018	\$ 3,096,555	-	0.030%	\$ 17.71
2019	\$ 2,342,849	-	0.023%	\$ 13.09
2020	\$ 1,575,683	-	0.014%	\$ 8.53
2021	\$ 794,815	-	0.006%	\$ 4.14

<sup>(1)</sup> US Bureau of Economic and Business Research

<sup>(2)</sup> Property Appraiser, Santa Rosa County

## Pledged Revenue Coverage

### Last Ten Fiscal Years (Unaudited)

#### Revenue Bonds

Year	Gross Revenues <sup>(1)</sup>	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2012	\$ 5,735,395	\$ -	\$ 5,735,395	\$ 539,984	\$ 45,628	979%
2013	\$ 6,019,063	\$ -	\$ 6,019,063	\$ 549,387	\$ 35,973	1028%
2014	\$ 6,401,628	\$ -	\$ 6,401,628	\$ 558,953	\$ 26,274	1094%
2015	\$ 6,780,568	\$ -	\$ 6,780,568	\$ 568,686	\$ 13,636	1164%
2016	\$ 7,276,083	\$ -	\$ 7,276,083	\$ 578,589	\$ 6,381	1244%
2017	\$ 7,714,651	\$ -	\$ 7,714,651	\$ -	\$ -	0%
2018	\$ 7,484,101	\$ -	\$ 7,484,101	\$ -	\$ -	0%
2019	\$ 8,585,746	\$ -	\$ 8,585,746	\$ -	\$ -	0%
2020	\$ 9,092,163	\$ -	\$ 9,092,163	\$ -	\$ -	0%
2021	\$ 52,249,063	\$ -	\$ 52,249,063	\$ -	\$ 318,083	16426%

#### Notes Payable

Year	Gross Revenues <sup>(2)</sup>	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2012	\$ 2,170,996	\$ 1,242,849	\$ 928,147	\$ 472,209	\$ 235,191	131%
2013	\$ 2,416,466	\$ 1,251,933	\$ 1,164,533	\$ 490,818	\$ 216,716	165%
2014	\$ 2,525,419	\$ 1,431,119	\$ 1,094,300	\$ 509,629	\$ 198,179	155%
2015	\$ 2,771,930	\$ 1,305,460	\$ 1,466,470	\$ 529,150	\$ 178,960	207%
2016	\$ 2,884,659	\$ 1,472,189	\$ 1,412,470	\$ 549,133	\$ 159,339	199%
2017	\$ 3,041,022	\$ 1,634,259	\$ 1,406,763	\$ 570,512	\$ 138,171	199%
2018	\$ 3,223,716	\$ 1,802,065	\$ 1,421,651	\$ 592,381	\$ 116,619	201%
2019	\$ 3,511,284	\$ 1,938,442	\$ 1,572,842	\$ 548,720	\$ 72,661	253%
2020	\$ 3,324,165	\$ 2,144,205	\$ 1,179,960	\$ 569,293	\$ 53,385	189%
2021	\$ 54,758,103	\$ 1,566,257	\$ 53,191,846	\$ 583,623	\$ 54,658	8334%

#### Special Assessment Notes

Year	Gross Revenues <sup>(3)</sup>	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2012	\$ 1,872,823	\$ -	\$ 1,872,823	\$ 1,509,919	\$ 254,225	106%
2013	\$ 921,029	\$ -	\$ 921,029	\$ 870,216	\$ 204,483	86%
2014	\$ 1,155,998	\$ -	\$ 1,155,998	\$ 897,493	\$ 174,533	108%
2015	\$ 991,352	\$ -	\$ 991,352	\$ 823,894	\$ 88,461	109%
2016	\$ 772,276	\$ -	\$ 772,276	\$ 680,682	\$ 78,340	102%
2017	\$ 727,529	\$ -	\$ 727,529	\$ 592,839	\$ 44,387	114%
2018	\$ 641,896	\$ -	\$ 641,896	\$ 470,195	\$ 27,468	129%
2019	\$ 789,091	\$ -	\$ 789,091	\$ 210,380	\$ 21,284	341%
2020	\$ 2,448,261	\$ -	\$ 2,448,261	\$ 553,212	\$ 63,642	397%
2021	\$ 1,081,138	\$ 11,705	\$ 1,069,433	\$ 447,137	\$ 127,974	186%

<sup>(1)</sup> Sales taxes until 2020, non-ad valorem revenues from 2021

<sup>(2)</sup> Electric Franchise Fees

<sup>(3)</sup> Special Assessments

## Demographic Statistics

### Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup> (Thousands)	Per Capita Personal Income <sup>(2)</sup>	Unemployment Rate <sup>(3)</sup>
2012	155,390	\$ 5,906,842	\$ 37,264	7.5%
2013	157,317	\$ 6,079,598	\$ 37,739	6.6%
2014	163,422	\$ 6,146,309	\$ 37,610	5.4%
2015	166,486	\$ 6,721,674	\$ 40,506	4.3%
2016	167,009	\$ 6,943,907	\$ 41,869	4.6%
2017	170,835	\$ 7,477,766	\$ 42,909	3.2%
2018	174,887	\$ 7,985,954	\$ 44,527	2.9%
2019	178,928	\$ 7,841,227	\$ 44,615	2.7%
2020	184,653	\$ 8,474,829 *	\$ 45,981 *	4.1%
2021	191,911	\$ 9,494,221 *	\$ 49,472 *	2.7%

\* Projected

<sup>(1)</sup> Florida Legislature, Office of Economic and Demographic Research

<sup>(2)</sup> US Bureau of Economic Analysis

<sup>(3)</sup> US Bureau of Labor Statistics

**Principal Employers  
Current Year And Nine Years Ago  
(Unaudited)**

Employer	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Santa Rosa County School District	3,108	1	3.73%	2,615	2	4.17%
Federal Military	2,500	2	3.00%			
Federal Government	2,449	3	2.94%	1,317	3	2.10%
State Government	1,330	4	1.60%	3,219	1	5.13%
Santa Rosa County Government	1,093	5	1.31%	913	5	1.46%
Baptist Healthcare Systems	848	6	1.02%	626	6	1.00%
Wal-Mart Stores	800	7	0.96%	1,282	4	2.05%
Santa Rosa Medical Center	700	8	0.84%	498	7	0.79%
Publix	500	9	0.60%	359	8	0.57%
Gulf Cable	360	10	0.43%			
Mediacom				300	9	0.48%
Lowe's				280	10	0.45%
<b>Total</b>	<b>13,688</b>		<b>16%</b>	<b>8,861</b>		<b>14%</b>
<b>Total Employment</b>			<b>83,345</b>			<b>62,688</b>

Source: Santa Rosa County Economic Development Office

### County Employees By Function Last Ten Fiscal Years (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	265	273	269	269	261	268	280	290	301	308
Public Safety	452	451	451	445	451	450	444	486	508	509
Physical Environment	52	46	64	65	60	58	63	64	64	50
Transportation	103	105	111	110	108	107	105	105	103	103
Economic Environment	2	2	10	11	7	12	9	9	9	13
Human Services	22	23	25	25	25	24	22	21	21	24
Culture and Recreation	33	32	35	38	37	37	41	39	38	45
<b>Total</b>	<b>929</b>	<b>932</b>	<b>965</b>	<b>963</b>	<b>949</b>	<b>956</b>	<b>964</b>	<b>1,014</b>	<b>1,044</b>	<b>1,052</b>

Source: Departmental reports.



**Operating Indicators By Function**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Law Enforcement										
Service Calls	122,336	118,150	119,731	126,423	144,727	149,702	139,233	142,655	125,022	124,798
DUI Arrests	175	148	236	215	273	352	331	269	247	225
Jail Inmates	6,618	6,315	6,577	7,249	7,746	7,807	7,383	7,431	5,612	6,364
Physical Environment										
Transportation										
Economic Environment										
Human Services										
Animal Services										
Service Calls	8,100	6,995	7,201	7,162	6,520	6,970	6,572	5,206	4,120	4,455
Adoptions	517	511	571	616	570	583	511	926	1,196	1,448
Animal Visits to Shelter	7,875	7,538	6,592	6,631	6,137	6,038	5,990	4,050	2,826	3,250
Culture and Recreation										
Libraries										
Items Circulated	434,571	425,484	434,571	420,730	405,000	398,597	401,333	411,656	311,742	378,037
Registered Borrowers	46,111	51,581	46,111	49,771	52,343	57,568	63,238	69,206	72,488	74,064

Indicators are not available for the general government function.

Source: Departmental reports

### Capital Asset Statistics By Function Last Ten Fiscal Years (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Sheriff's Officers Vehicles	308	282	285	285	275	293	296	281	326	310
Fire Districts	15	15	15	15	15	15	15	15	15	15
Physical Environment										
Landfills	2	2	2	2	2	2	2	2	2	2
Transfer Stations	1	1	1	1	1	1	1	1	1	1
Water Taps	1,904	1,904	1,955	2,137	2,152	2,171	2,190	2,220	2,247	2,255
Sewer Taps	1,893	1,893	1,942	2,124	2,139	2,158	2,177	2,207	2,234	2,242
Transportation										
Airports	1	1	1	1	1	1	1	1	1	1
Airport Hangars	16	16	16	16	16	16	16	16	16	23
Economic Environment										
Industrial Parks	2	2	2	2	2	2	2	2	2	2
Human Services										
Animal Services Vehicles	13	10	11	11	11	11	10	11	9	10
Culture and Recreation										
Libraries	5	5	5	5	5	6	6	6	6	6
Items in Library Collection	138,565	149,133	138,565	156,786	148,288	155,149	156,773	156,152	156,111	164,258
Parks	56	56	56	56	56	56	56	56	56	56

Indicators Are Not Available for the General Government Function.

Source: Departmental Reports



## COMPLIANCE SECTION

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF  
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

The Honorable Board of County Commissioners  
Santa Rosa County, Florida

We have examined Santa Rosa County, Florida's, (hereinafter referred to as the "the County") compliance with the following requirements for the year ended September 30, 2021:

- (1) Florida Statute 218.415 in regards to investments.
- (2) Florida Statute 288.8018 in regards to the Deepwater Horizon Oil Spill receipts and expenditures.
- (3) Florida Statutes 365.172 and 365.173 in regards to use of E-911 revenues and expenditures.

Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

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

*Warren Averett, LLC*

Pensacola, Florida  
April 26, 2022

**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF RECEIPTS AND  
EXPENDITURES OF FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL**

The Honorable Board of County Commissioners  
Santa Rosa County, Florida

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Santa County, Florida as of and for the year ended September 30, 2021, and have issued our report thereon dated April 26, 2022 which contained an unmodified opinion on those financial statements.

The Schedule of Receipts and Expenditures of Funds related to the Deepwater Horizon Oil Spill on page 149 is presented for the purpose of additional analysis as required by Florida Statute 288.8018 and the Rules of the Auditor General Chapter 10.557(3)(f), and is not a required part of the 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 financial statements. The 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

*Warren Averett, LLC*

Pensacola, Florida  
April 26, 2022

**SANTA ROSA COUNTY, FLORIDA  
SCHEDULE OF RECEIPTS AND EXPENDITURES OF  
FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Source	Amount Received in the 2020-21 Fiscal Year	Amount Expended in the 2020-21 Fiscal Year
<b>Triumph Gulf Coast, Inc.</b>		
Project #72 – Whiting Field MRO	\$ 1,497,338	\$ 5,103,364
Project #240 - Santa Rosa Industrial Park East	-	4,594
<b>U.S. Department of Treasury</b>		
Restore Oyster Habitat Restoration Project 1 RDCGR210076-01-00	14,532	8,275
Restore Dirt Road Paving Districts 1 RDCGR210100-01-00	23,400	39,579
Restore Blackwater Heritage State Trail 1 RDCGR210104-01-00	-	33,778
Restore Yellow River Marsh Preserve 1 RDCGR210112-01-00	75,985	75,985
<b>Gulf Consortium</b>		
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program GI	223,381	362,204
<b>TOTAL:</b>	<b>\$ 1,511,870</b>	<b>\$ 5,116,233</b>

Note: These funds related to the Deepwater Horizon Oil Spill are considered Federal Awards and are reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance under Assistance Listings #21.015 and #87.052. These were not tested as major programs in Fiscal Year 2021.  
This schedule is prepared on the cash basis of accounting.



## MANAGEMENT LETTER

The Honorable Board of County Commissioners  
Santa Rosa County, Florida

### Report on the Financial Statements

We have audited the financial statements Santa Rosa County, Florida (hereinafter referred to as the "County"), as of and for the year ended September 30, 2021, and have issued our report thereon dated April 26, 2022.

### Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance); and Chapter 10.550 *Rules of the Florida 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 Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated April 26, 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Financial Condition and Management

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

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

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

#### **Special District Component Units**

Section 10.554(1)(i)5.d, *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of the County provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the County in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

#### **Additional Matters**

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

#### **Purpose of this Letter**

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

*Warren Averett, LLC*

Pensacola, Florida  
April 26, 2022

**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  
Santa Rosa 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, business-type activities, each major fund and the aggregate remaining fund information of Santa Rosa County, Florida, (hereinafter referred to as "County"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 26, 2022.

**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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a material weakness.

**Compliance and Other Matters**

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

**Compliance and Other Matters – Continued**

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Management’s Response to Findings**

Management’s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Management’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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

*Warren Averett, LLC*

Pensacola, Florida  
April 26, 2022

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

Board of County Commissioners  
Santa Rosa County, Florida

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

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

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

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

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

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

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

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

### **Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Santa Rosa County, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated April 26, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis as required by the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the 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 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 Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated in all material respects in relation to the financial statements as a whole.

**Purpose of this Report**

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

*Warren Averett, LLC*

Pensacola, Florida  
April 26, 2022



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

<b>Federal Grantor/Pass-through Grantor/Program Title</b>	<b>Assistance Listing</b>	<b>Contract / Grant Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Commerce</b>				
Passed Through Florida Department of Environmental Protection				
Office for Coastal Management	11.473	NA17NOS4730140	\$ 42,568	\$ -
Office for Coastal Management	11.473	0318.20.069548	11,396	-
			<u>53,964</u>	
<b>U.S. Department of Housing and Urban Development</b>				
Passed Through Escambia County Consortium				
Home Investment Partnerships Program	14.239	M-14-DC-12-0225	67,881	-
<b>U.S. Department of Agriculture</b>				
Passed Through Natural Resources Conservation Service Florida				
Natural Resource Damage Assessment and Restoration	15.658	N1220CPT0011021	22,625	-
<b>U.S. Department of Justice</b>				
Direct Program				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1208	13,986	-
Passed Through Florida Office of the Attorney General				
Crime Victim Assistance	16.575	VOCA-2020-SRCSO-00607	146,806	-
Passed Through Florida Department of Children and Families				
Violence Against Women Formula Grants FCADV	16.588	LN096	67,223	-
Direct Program				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0240	13,957	-
Passed Through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGC-SANT-1-3B-033	2,760	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-JAGC-SANT-2-5R-007	21,827	-
			<u>38,544</u>	-
Support for Adam Walsh Act Implementation Grant Program	16.750	2020-AW-BX-0040	77,508	-
<b>U.S. Department of Transportation Federal Aviation Administration</b>				
Direct Program				
Airport Improvement Program	20.106	3-12-0052-014-2019	80,667	-
Airport Improvement Program	20.106	3-12-0052-017-2020	19,228	-
Airport Improvement Program	20.106	3-12-0052-018-2021	94,459	-
			<u>194,354</u>	-
<b>U.S. Department of Transportation</b>				
Passed Through Florida Dept. of Transportation				
Formula Grants for Rural Areas	20.509	G1M17	229,307	229,307
Passed Through Florida Dept. of Transportation				
State and Community Highway Safety	20.600	SC-2021-00024	124,929	-
Passed Through Florida Dept. of Transportation				
National Priority Safety Program	20.616	M5HVE-20-06-17/G1F00	1,274	-
<b>Total Highway Safety Cluster</b>			<u>126,203</u>	-
<b>U.S. Department of the Treasury</b>				
Direct Program				
RESTORE Act	21.015	1 RDCGR210076-01-00	10,314	10,314
RESTORE Act	21.015	1 RDCGR210100-01-00	39,579	39,579
RESTORE Act	21.015	1 RDCGR210104-01-00	33,778	33,778
RESTORE Act	21.015	1 RDCGR210112-01-00	75,985	75,985
			<u>159,656</u>	159,656
Passed Through Florida Division of Emergency Management				
COVID-19 Coronavirus Relief Fund	21.019	Y2279	10,872,833	-

(Continued)

The accompanying notes are an integral part of this schedule.



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

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing	Contract / Grant Number	Expenditures	Passed Through to Subrecipients
<u>U.S. Department of the Treasury - Continued</u>				
Passed Through Florida Housing Finance Corporation COVID-19 Coronavirus Relief Fund	21.019	#091-2020	\$ 528,201	\$ -
			11,401,034	-
Direct Program COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-1712	98,231	-
<u>Gulf Ecosystem Restoration Council</u>				
Passed Through Florida Department of Environmental Protection Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052	GNTSP20FL0088	362,104	362,104
<u>U.S. Election Assistance Commission</u>				
Passed Through Florida Department of State COVID-19 Help America Vote Act Election Security Grants	90.404	MOA#2020-2019-01	92,876	-
COVID-19 Help America Vote Act Election Security Grants	90.404	MOA#2021-001-SAN	124,225	-
			217,101	-
<u>U.S. Department of Health and Human Services</u>				
Passed Through Florida Dept. of Revenue Child Support Enforcement Program	93.563	CSU57	12,950	-
<u>Executive Office of the President</u>				
Passed Through Office of National Drug Policy High Intensity Drug Trafficking Areas Program	95.001	G21GC0007A	96,244	78,651
<u>U.S. Department of Homeland Security</u>				
Passed Through Volunteer Florida Emergency Management Performance Grant	97.042	G0145	14,441	-
Emergency Management Performance Grant	97.042	G0173	79,201	-
Emergency Management Performance Grant	97.042	G0215	3,600	-
Emergency Management Performance Grant	97.042	G0225	20,206	-
			117,448	-
Passed Through Florida Division of Emergency Management Disaster Grants - Public Assistance SALLY	97.036	Z2563	9,101,301	-
Disaster Grants - Public Assistance IDA	97.036	EMAC-4611	58,543	-
Disaster Grants - Public Assistance SALLY	97.036	PA-4564	188,346	-
			9,348,190	-
Passed Through Florida Division of Emergency Management Homeland Security Grant Program	97.046	D0045	21,567	-
Passed Through Florida Division of Emergency Management Homeland Security Grant Program	97.067	R0170	46,247	-
Homeland Security Grant Program	97.067	R0038	37,765	-
Homeland Security Grant Program	97.067	R0063	36,261	-
Homeland Security Grant Program	97.067	R0203	36,161	-
			156,434	-
Total Federal Awards			\$ 23,029,360	\$ 829,718

(Continued)

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

<u>State Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing</u>	<u>Contract / Grant Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>Florida Division of Emergency Management</u>				
Emergency Management Programs	31.063	A0169	\$ 105,806	\$ -
Emergency Management Projects - Hazards Analysis	31.067	T0164	9,062	-
<u>Florida Department of Environmental Protection</u>				
Florida Recreation Development Assistance Program	37.017	P9042	250,000	-
Resilient Florida Programs	37.098	R2117	125,000	-
Florida Water Estuary Program Projects	37.111	FY2104	25,620	-
<u>Florida Department of Economic Opportunity</u>				
Economic Development Partnerships	40.014	DTF 21-103	64,800	-
Economic Development Partnerships	40.040	S0115	375,532	-
Economic Development Partnerships	40.040	S0138	366,667	-
Economic Development Partnerships	40.040	S0157	66,207	-
Economic Development Partnerships	40.040	S0145	60,200	-
			<u>868,606</u>	<u>-</u>
<u>Florida Housing Finance Corporation</u>				
State Housing Initiative Partnership Program	40.901	N/A	299,445	-
<u>Florida Department of Agriculture and Consumer Services</u>				
Mosquito Control	42.003	27451	36,498	-
<u>Florida Department of State</u>				
State Aid to Libraries	45.030	21-ST-74	37,461	-
Historic Preservation Grants	45.031	21.h.sm.100.112	49,744	-
<u>Florida Department of Transportation</u>				
Aviation Development Grants - Joint Participation Agreement	55.004	G1L01	600,000	-
<u>Florida Department of Health</u>				
County Grant Awards	64.005	C9055	20,554	-
<u>Florida Department of Management Services</u>				
E911 State Grant Program	72.002	S17-21-02-32	111,868	-
<u>Florida Fish and Wildlife Conservation Commission</u>				
Derelict Vessel Removal	77.005	20162	7,500	-
Artificial Reef Grants Program	77.007	19020	99,238	-
TOTAL STATE AWARDS			<u>\$ 2,711,202</u>	<u>\$ -</u>
TOTAL FEDERAL AND STATE AWARDS			<u>\$ 25,740,562</u>	<u>\$ 829,718</u>

The accompanying notes are an integral part of this schedule.

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

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**1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal and state grant activity of Santa Rosa County, Florida, under programs of the federal and state government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the 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), Chapter 69I-5, State Financial Assistance, Rules of the Department of Financial Services, and Chapter 10.550, *Rules of the Auditor General*. Therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 69I-5, State Financial Assistance, Rules of the Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Santa Rosa County, Florida, elected to utilize the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**3. EXPENDITURES INCURRED IN PRIOR FISCAL YEAR**

Total Federal Assistance Listing No. 97.036 expenditures of \$1,697,462 were incurred in a prior fiscal year and obligated by FEMA in the current fiscal year.

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

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**A. SUMMARY OF AUDITOR RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report issued: Unmodified Opinion  
Internal control over financial reporting:  
Material weakness(es) identified?  yes  no  
Significant deficiency (ies) identified that are  
not considered to be material weakness(es)?  yes  none reported  
Noncompliance material to financial statements  
noted?  yes  no

**FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

Internal control over major programs:  
Material weakness(es) identified?  yes  no  
Significant deficiency (ies) identified that are  
not considered to be material weakness(es)?  yes  none reported  
Type of auditor's report issued on compliance  
for major programs: Unmodified opinion  
Any audit findings disclosed that are required  
to be reported in accordance with the Uniform  
Guidance or Chapter 10.550, *Rules of  
the Auditor General*?  yes  no

**IDENTIFICATION OF MAJOR PROGRAMS**

**Federal Programs**

Federal Assistance Listing No. 21.019 Coronavirus Relief Fund  
Federal Assistance Listing No. 97.036 Disaster Grant – Public Assistance

Dollar threshold used to distinguish  
between type A and type B programs: \$750,000  
Auditee qualified as low-risk auditee?  yes  no

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

---

**A. SUMMARY OF AUDITOR RESULTS (CONTINUED)**

**State Projects**

State Assistance Listing No. 40.040 Economic Development Partnerships  
State Assistance Listing No. 55.004 Aviation Development Grants

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

**B. FINANCIAL STATEMENT FINDING**

Findings required to be reported in accordance with *Government Auditing Standards*:

**FINDING 2021-001 GRANT REVENUE RECOGNITION**

*Criteria*

The County's internal control over financial reporting is designed to allow for management and employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, a material misstatement on a timely basis. Pursuant to GASB Statement No. 33, recipients of expenditure-driven grants should recognize revenue as qualifying expenditures are incurred.

*Condition*

During current year audit procedures, it was determined the grant receivables in the County's Road and Bridge Fund were overstated by \$2.6 million and revenue was overstated by \$1.5 million for the year ended September 30, 2021. The revenue and related receivable were initially overstated by \$1.1 million in the year ended September 30, 2020 financial statements and a prior period adjustment of \$1.1 million was recorded to reflect the correction of overstatement during the year ended September 30, 2021.

*Cause*

During fiscal year 2019 through 2021, there was significant turnover in the grants reporting division of the County. A journal entry provided to the financial reporting division of the County from the grants reporting division included cumulative total costs of a cost reimbursement grant to be accrued as revenue at September 30, 2020. However, the majority of the costs were incurred and the revenue recognized during the fiscal year ended September 30, 2019 causing an overstatement of grant receivables and revenue in the year ended September 30, 2020.

*Effect*

The County's Road and Bridge Fund grant receivables and revenues were materially overstated in fiscal year 2021 and 2020 requiring audit adjustments and a prior period audit adjustment.

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

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**B. FINANCIAL STATEMENT FINDING - CONTINUED**

**FINDING 2021-001 GRANT REVENUE RECOGNITION - CONTINUED**

*Recommendation*

Management should review grant policies and procedures with key personnel to ensure the process for estimating the year-end grant accrual balance allows for matching grant revenues with related qualifying expenditures. Further grant receivables should be monitored for collectability and investigated when grant funds are not received in accordance with the terms of the grant.

*Views of Responsible Officials and Planned Corrective Action*

We agree with the finding and the recommended procedures have been implemented.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAM**

There were no findings, which were required to be reported in accordance with the Uniform Guidance.

**D. FINDINGS AND QUESTIONED COSTS – MAJOR STATE FINANCIAL ASSISTANCE**

There were no findings, which were required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*.



Clerk of the County Court & Comptroller  
Recorder of Deeds  
Clerk and Accountant of the Board of County Commissioners  
Custodian of County Funds  
County Auditor

**DONALD C. SPENCER**  
CLERK OF THE CIRCUIT COURT & COMPTROLLER  
SANTA ROSA COUNTY, FLORIDA

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**SANTA ROSA COUNTY, FLORIDA  
SCHEDULE OF PRIOR YEAR FINDINGS AND  
CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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**SCHEDULE OF PRIOR YEAR FINDINGS**

There were no findings reported in the prior year which require Management's response.

**CORRECTIVE ACTION PLAN**

The finding from the April 26, 2022 schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

Name of Contact Person for Completing Corrective Action Plan:

Robert Miller, Director of Finance  
(850) 983-1963  
[millerr@santarosaclerks.com](mailto:millerr@santarosaclerks.com)

**FINDING 2021-001 GRANT REVENUE RECOGNITION**

During current year audit procedures, it was determined grant receivables in the County's Road and Bridge Fund were overstated by \$2.6 million and revenue was overstated by \$1.5 million for the year ended September 30, 2021. The revenue and related receivable were initially overstated by \$1.1 million in the year ended September 30, 2020 financial statements and a prior period adjustment of \$1.1 million was recorded to reflect the correction of overstatement during the year ended September 30, 2021.

**Management's Response**

In order to prevent this from happening in the future, policies and procedures surrounding the grant revenue accrual process will be reviewed by all grant and accounting personnel. In addition, there will be additional focus on recording and monitoring year end grant accruals as well as redesigning the process to make it easier to reconcile accruals and detect any errors on a more timely basis. This will be completed by fiscal year end 2022.

**SANTA ROSA COUNTY, FLORIDA  
CLERK OF COURT AND COMPTROLLER**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2021**



**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
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SEPTEMBER 30, 2021**

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## INDEPENDENT AUDITORS' REPORT

Honorable Donald Spencer – Clerk of Court and Comptroller  
Santa Rosa County, Florida

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

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Office of Clerk of Court and Comptroller of Santa Rosa County, Florida (hereinafter referred to as “Clerk”) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk’s financial statements, as listed in the table of contents.

### ***Management’s Responsibility for the Financial Statements***

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

### ***Auditors’ Responsibility***

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

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

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

**Opinions**

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

**Change in Accounting Principle**

As discussed in Note 8 to the financial statements, in 2021 the Clerk adopted new accounting guidance, GASBS. No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

**Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to above have been prepared for the purpose of complying with the Rules of the Auditor General, 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 the aggregate remaining fund information, of Santa Rosa County, Florida that are attributable to the Clerk. They do not purport to, and do not present fairly the financial position of Santa Rosa County, Florida, as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

**Other Matters****Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and notes on pages 14-16 be presented to supplement the basic financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements. The accompanying supplementary information, the combining fund financial statements on pages 17 and 18, are presented for purposes of additional analysis and are not a required part of these financial statements. These statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

The 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 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 information is fairly stated, in all material respects in relation to the financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022, on our consideration of the Clerk’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts and grant agreements and other matters included under the heading “*Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards.*” The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Warren Averett, LLC*

Pensacola, Florida  
February 25, 2022

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
BALANCE SHEET – ALL GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<u>Major Funds</u>				<u>Non-Major</u>		
	<u>General</u>	<u>Courts</u>	<u>Courts Technology</u>	<u>Records Modernization</u>		<u>Child Support Title IV-D</u>	<u>Total</u>
				<u>Trust</u>			
<b>ASSETS</b>							
Cash and cash equivalents	\$ 1,980,754	\$ 543,511	\$ 1,007,692	\$ 920,918	\$ -		\$ 4,452,875
Accounts receivable, net	18,682	-	-	-	-		18,682
Due from other funds	6,259	13,441	-	-	-		19,700
Due from other governmental units	657	-	-	-	13,431		14,088
<b>TOTAL ASSETS</b>	<b>\$ 2,006,352</b>	<b>\$ 556,952</b>	<b>\$ 1,007,692</b>	<b>\$ 920,918</b>	<b>\$ 13,431</b>		<b>\$ 4,505,345</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 21,389	\$ 7,181	\$ 3,532	\$ -	\$ -		\$ 32,102
Accrued wages and salaries	120,810	157,434	10,453	-	-		288,697
Due to BOCC	1,803,494	-	-	-	-		1,803,494
Due to other funds	-	6,269	-	-	13,431		19,700
Due to other governmental units	14,242	385,782	57,460	-	-		457,484
Deposits	46,417	-	-	-	-		46,417
<b>TOTAL LIABILITIES</b>	<b>2,006,352</b>	<b>556,666</b>	<b>71,445</b>	<b>-</b>	<b>13,431</b>		<b>2,647,894</b>
<b>FUND BALANCES</b>							
Restricted for state court operations	-	286	-	-	-		286
Restricted for records modernization	-	-	-	920,918	-		920,918
Restricted for court equipment and technology	-	-	936,247	-	-		936,247
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>286</b>	<b>936,247</b>	<b>920,918</b>	<b>-</b>		<b>1,857,451</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>\$ 2,006,352</b>	<b>\$ 556,952</b>	<b>\$ 1,007,692</b>	<b>\$ 920,918</b>	<b>\$ 13,431</b>		<b>\$ 4,505,345</b>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – ALL GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Major Funds				Non-Major	Total
	General	Courts	Courts Technology	Records Modernization	Child Support Title IV-D	
				Trust		
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ 150,557	\$ -	\$ -	\$ 170,248	\$ 320,805
Charges for services	1,891,561	2,574,446	648,120	208,611	-	5,322,738
Fines and forfeitures	-	1,221,281	-	-	1,120	1,222,401
Miscellaneous	51,497	78,393	-	-	-	129,890
Total revenues	1,943,058	4,024,677	648,120	208,611	171,368	6,995,834
<b>EXPENDITURES</b>						
Current:						
General government:						
Financial and administrative:						
Personal services	3,380,622	-	-	-	-	3,380,622
Operating	506,637	-	-	-	-	506,637
Judicial:						
Personal services	-	2,911,034	230,718	-	171,368	3,313,120
Operating	-	160,431	299,515	-	-	459,946
Capital outlay	-	-	-	97,596	-	97,596
Total expenditures	3,887,259	3,071,465	530,233	97,596	171,368	7,757,921
Excess (deficiency) of revenue over expenditures	(1,944,201)	953,212	117,887	111,015	-	(762,087)
<b>OTHER FINANCING SOURCES (USES)</b>						
BOCC appropriation	3,690,210	-	-	-	-	3,690,210
BOCC unspent revenues	(1,746,009)	-	-	-	-	(1,746,009)
Payments to Clerks of the Court Trust Fund	-	(969,207)	-	-	-	(969,207)
Total other financing sources (uses)	1,944,201	(969,207)	-	-	-	974,994
<b>NET CHANGE IN FUND BALANCES</b>	-	(15,995)	117,887	111,015	-	212,907
<b>FUND BALANCES, BEGINNING</b>	-	16,281	818,360	809,903	-	1,644,544
<b>FUND BALANCES, ENDING</b>	\$ -	\$ 286	\$ 936,247	\$ 920,918	\$ -	\$ 1,857,451

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
SEPTEMBER 30, 2021**

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<b>ASSETS</b>	
Cash and cash equivalents	<u>\$ 5,378,363</u>
<b>TOTAL ASSETS</b>	<b>5,378,363</b>
 <b>LIABILITIES</b>	
Accounts payable	<u>1,137</u>
<b>TOTAL LIABILITIES</b>	<u>1,137</u>
 <b>NET POSITION</b>	
Restricted for:	
Cash bonds	359,061
Court registry	2,506,415
General trust	<u>2,511,750</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 5,377,226</u></u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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**ADDITIONS**

Deposits in court registry	\$ 7,209,835
Recording fees	42,585,051
Deposits for real auction	1,801,520
Deposits for tax deeds	1,696,894
Deposits for restitution	153,477
Deposits for bonds	779,654
Payments from State	234
Payments from individuals	4,493,017
Unclaimed funds	26,616
	58,746,298
<b>TOTAL ADDITIONS</b>	<b>58,746,298</b>

**DEDUCTIONS**

Release of bonds	700,643
Refunds of real auction deposits	1,910,668
Tax deed deferred	488,451
Payments to state	48,880,125
Payment to local agencies	1,609,450
Payments for witnesses	3,938
Payments to victims	153,476
Refunds	181,046
Court-ordered disbursements	6,501,565
Flower fund	431
	60,429,793
<b>TOTAL DEDUCTIONS</b>	<b>60,429,793</b>
<b>CHANGES IN NET POSITION</b>	<b>(1,683,495)</b>
<b>NET POSITION-BEGINNING, RESTATED</b>	<b>7,060,721</b>
<b>NET POSITION-ENDING</b>	<b>\$ 5,377,226</b>

See notes to the financial statements.



**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows:

**Reporting Entity**

The Office of the Clerk of Court and Comptroller of Santa Rosa County, Florida (the "Clerk") was established as a constitutional office of Santa Rosa County, Florida (the "County") by Article VIII, Section 1 (d) of the Constitution of the State of Florida. The Clerk is an elected official of the County and serves as Clerk of the Circuit Court (duties described in Chapter 28, Florida Statutes), Clerk of the County Court (duties described in Chapter 34, Florida Statutes) and Clerk and Accountant to the Santa Rosa County Board of County Commissioners (the "BOCC") (in this capacity the Clerk is required to keep the minutes of the county commission, keep the accounts of the County, invest county funds and perform such other duties as provided by law). The Clerk's office is funded by appropriations from the BOCC and by fees charged for providing court-related services. Although the Clerk is operationally autonomous from the BOCC, it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is considered part of the County's primary government.

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

**Fund Accounting**

The accounting system of the Clerk's office is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The funds utilized by the Clerk are as follows:

**Governmental Funds**

These funds utilize a modified accrual basis of accounting. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

The Clerk reports the following major governmental funds:

General Fund is used to account for all financial resources that are generated from operations of the office, appropriations from the BOCC and any other resources not required to be accounted for in another fund.

Courts Fund is a special revenue fund used to account for all court-related activities and court-related financial resources of the Clerk.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES – CONTINUED**

**Governmental Funds – Continued**

Courts Technology Fund is a special revenue fund used to account for the court-related technology needs of the Clerk.

Records Modernization Trust Fund is a special revenue fund used to account for monies collected according to Chapter 28.24, Florida Statutes, to be used exclusively for equipment, personnel training and technical assistance in modernizing the official records system and to pay for equipment and start-up costs necessitated by a statewide recording system.

Non-major governmental fund of the Clerk is as follows:

Title IV-D Fund is a special revenue fund used to account for activities related to Title IV-D child support cases. The funding provides assistance to the plaintiff and enforcement of collections through the Office of Child Support Enforcement.

**Fiduciary Funds**

The Clerk uses custodial funds to account for assets being held in a custodial capacity for individuals, private organizations and/or other governments.

**Basis of Accounting**

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 measurement made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available as net current assets. The Clerk considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred. Custodial funds use the accrual basis of accounting.

**Cash and Cash Equivalents**

The Clerk's cash and cash equivalents consists of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**Accounting for Capital Assets**

Capital assets (vehicles, equipment and other tangible property and certain intangible property costing at least \$5,000, with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and are accounted for in the County's government-wide financial statements.

**Compensated Absences**

Employees accumulate a limited amount of earned, but unused annual, sick and compensatory leave, which will be paid upon separation from service. Unpaid, compensated absences are recorded as a liability when the benefits are earned in the County's government-wide financial statements. For the governmental fund statements, expenditures are recognized when payments are made to employees.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES – CONTINUED**

**Unspent Revenue**

Annually, the Clerk must remit to the Board any unspent revenues attributable to non-court-related functions. Additionally, the Clerk must calculate and remit to the Department of Revenue Clerks of Courts Trust Fund the unspent revenues attributable to state-funded, court-related functions. These amounts are reported as due to other governmental units at year-end.

**Fund Balances**

Fund balances are classified either as non-spendable or as restricted, committed, assigned and unassigned based on the extent to which there are external and internal constraints on the spending of these fund balances.

**2. CASH**

At September 30, 2021, the banks reported deposits before outstanding checks of approximately \$10 million, all of which were held by a financial institution designated as a qualified public depository by the State Treasurer. All deposits were fully insured through a combination of federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. Accordingly, risk of loss due to bank failure is not significant.

**3. PENSION AND RETIREMENT PLAN**

Substantially, all full-time employees of the Clerk are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.myfrs.com](http://www.myfrs.com) or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**3. PENSION AND RETIREMENT PLAN – CONTINUED**

For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service, whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination.

The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

DROP is available for members of the FRS Pension Plan, who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to five years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Prior to July 2011, the plans were noncontributory for employees with all contributions being the participating FRS employer's responsibility. Effective July 1, 2011, participating employees contribute 3% of their gross salaries each pay period to the plan. Participating employer contributions are based upon rates established by the State of Florida.

Blended contribution rates for the fiscal year ended September 30, 2021, were as follows: regular employees – 10.21%; special risk employees – 24.81%; elected officials – 49.74%; senior management employees – 27.72%; and DROP participants – 17.32%. The Clerk's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively mandated contribution rates. Contributions to both plans totaled \$550,554, \$441,755 and \$87,572 for the years ended September 30, 2021, 2020 and 2019, respectively.

*Net Pension Liability – Proportionate Share*

The Clerk has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the governmental funds. All required disclosures and schedules may be found in the County's Comprehensive Annual Financial Report of Santa Rosa County, Florida.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**4. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN**

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Clerk's Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability are measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Clerk's Office. Accordingly, these calculations and disclosures can be found in the County's Comprehensive Annual Financial Report.

**5. FUND BALANCES**

Fund balances consist of the following:

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Clerk does not have any non-spendable fund balances.

The remaining fund balances are classified as follows depending on the Clerk's ability to control their spending:

*Restricted* fund balances can only be used for specific purposes, which are externally imposed by creditors, grantors, contributors or laws or regulations or are imposed by law through constitutional provisions or enabling legislation.

*Committed* fund balances can only be used for specific purposes imposed internally by the Clerk's formal action of highest level of decision-making authority. At year end, the Clerk had no committed fund balances.

*Assigned* fund balances are fund balances intended to be used for specific purposes, but which do not meet the more formal criterion to be considered either restricted or committed. At year end, the Clerk had no assigned fund balances.

*Unassigned* fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. At year end, the Clerk had no unassigned fund balances because all unspent revenues of the General Fund are required to be returned to the BOCC, and there were no negative residual balances in the special revenue funds.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**6. CLAIMS AND CONTINGENCIES**

The Clerk is involved from time to time in routine civil litigation incidental to the ordinary course of operations. In the opinion of management and legal counsel, there are no lawsuits or claims outstanding, which might materially affect the financial position of the Clerk's Office.

**7. RISK MANAGEMENT**

The Clerk is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board maintains a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.

Under this program the County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Building and contents – \$5,000 deductible
- Employee Fidelity
- General Liability – \$25,000 deductible
- Public Officials' Liability – \$25,000 deductible

Conventional insurance remains in effect for buildings and contents. There also were no significant reductions in insurance coverage from the prior year and settled claims resulting from conventional insurance risks have not exceeded coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public official's liability coverage. The Clerk participates in the program and makes payments to the Self-Insurance Fund based on historical estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses.

**8. CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended September 30, 2021, the Clerk implemented GASB Statement No. 84, Fiduciary Activities. With the implementation, the Clerk is required to record the beginning net position of custodial funds. The beginning net position of the fiduciary funds has been restated by \$7,060,721 to reflect the new guidance.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	General Fund				Special Revenue Fund Courts Fund			
	Original	Final	Actual	Variance with	Original	Final	Actual	Variance with
	Budget	Budget		Final Budget Positive (Negative)	Budget	Budget		Final Budget Positive (Negative)
<b>REVENUES</b>								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,557	\$ 150,557
Charges for services	1,379,000	1,379,000	1,891,561	512,561	2,574,115	2,574,115	2,574,446	331
Fines & forfeitures	-	-	-	-	1,100,968	1,100,968	1,221,281	120,313
Miscellaneous	42,300	42,300	51,497	9,197	-	-	78,393	78,393
Total revenues	1,421,300	1,421,300	1,943,058	521,758	3,675,083	3,675,083	4,024,677	349,594
<b>EXPENDITURES</b>								
Current:								
General government:								
Financial and administrative:								
Personal services	3,821,886	3,951,886	3,380,622	571,264	-	-	-	-
Operating	640,184	640,184	506,637	133,547	-	-	-	-
Capital outlay	276,946	276,946	-	276,946	-	-	-	-
Judicial:								
Personal services	-	-	-	-	2,890,034	2,890,034	2,911,034	(21,000)
Operating	-	-	-	-	181,431	181,431	160,431	21,000
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	4,739,016	4,869,016	3,887,259	981,757	3,071,465	3,071,465	3,071,465	-
Excess (deficiency) of revenues over expenditures	(3,317,716)	(3,447,716)	(1,944,201)	1,503,515	603,618	603,618	953,212	349,594
<b>OTHER FINANCING SOURCES (USES)</b>								
BOCC appropriation	3,690,211	3,690,211	3,690,210	(1)	-	-	-	-
BOCC unspent revenues	(372,495)	(242,495)	(1,746,009)	(1,503,514)	-	-	-	-
Payments to Clerks of the Court Trust Fund	-	-	-	-	(603,618)	(603,618)	(969,207)	(365,589)
Total other financing sources (uses)	3,317,716	3,447,716	1,944,201	(1,503,515)	(603,618)	(603,618)	(969,207)	(365,589)
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-	-	-	-	(15,995)	(15,995)
<b>FUND BALANCES, BEGINNING</b>	-	-	-	-	16,281	16,281	16,281	-
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ -	\$ -	\$ 16,281	\$ 16,281	\$ 286	\$ (15,995)

See notes to required supplementary information.



**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS – CONTINUED  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Special Revenue Fund Courts Technology Fund				Special Revenue Fund Records Modernization Trust Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>								
Charges for services	\$473,000	\$ 473,000	\$648,120	\$ 175,120	\$150,000	\$150,000	\$208,611	\$ 58,611
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	473,000	473,000	648,120	175,120	150,000	150,000	208,611	58,611
<b>EXPENDITURES</b>								
Current:								
Judicial:								
Personal services	229,573	239,573	230,718	8,855	-	-	-	-
Operating	239,300	329,300	299,515	29,785	65,200	65,200	-	65,200
Capital outlay	-	-	-	-	114,800	114,800	97,596	17,204
Total expenditures	468,873	568,873	530,233	38,640	180,000	180,000	97,596	82,404
Excess (deficiency) of revenues over expenditures	4,127	(95,873)	117,887	213,760	(30,000)	(30,000)	111,015	141,015
<b>FUND BALANCES, BEGINNING</b>	818,360	818,360	818,360	-	809,903	809,903	809,903	-
<b>FUND BALANCES, ENDING</b>	<u>\$822,487</u>	<u>\$ 722,487</u>	<u>\$936,247</u>	<u>\$ 213,760</u>	<u>\$779,903</u>	<u>\$779,903</u>	<u>\$920,918</u>	<u>\$ 141,015</u>

See notes to required supplementary information.

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2021**

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**BUDGET AND BUDGETARY ACCOUNTING**

The Clerk establishes annual budgets for its general fund and special revenue funds pursuant to Section 218.35, Florida Statutes. The Clerk's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is the fund level.

**SUPPLEMENTARY INFORMATION**

**COMBINING FUND  
FINANCIAL STATEMENTS**

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
COMBINING STATEMENT OF ASSETS AND LIABILITIES –  
CUSTODIAL FUNDS  
SEPTEMBER 30, 2021**

	<u>Court Registry</u>	<u>Fine and Cost</u>	<u>Intangible Tax</u>	<u>State Documentary Stamp</u>	<u>Suspense</u>	<u>Tax Redemption</u>	<u>Ordinary Witness</u>	<u>Bail Bonds</u>	<u>Flower Trust Fund</u>	<u>Totals</u>
<b>ASSETS</b>										
Cash and cash equivalents	\$2,506,415	\$ 243,037	\$ 18,163	\$ 638,687	\$ 63,435	\$1,514,371	\$ 33,033	\$ 359,061	\$ 2,161	\$ 5,378,363
<b>TOTAL ASSETS</b>	2,506,415	243,037	18,163	638,687	63,435	1,514,371	33,033	359,061	2,161	5,378,363
<b>LIABILITIES</b>										
Accounts payable	-	-	-	-	1,137	-	-	-	-	1,137
<b>TOTAL LIABILITIES</b>	-	-	-	-	1,137	-	-	-	-	1,137
<b>NET POSITION</b>										
Restricted for:										
Cash bonds	-	-	-	-	-	-	-	359,061	-	359,061
Court registry	2,506,415	-	-	-	-	-	-	-	-	2,506,415
General trust	-	243,037	18,163	638,687	62,298	1,514,371	33,033	-	2,161	2,511,750
<b>TOTAL NET POSITION</b>	<u>\$2,506,415</u>	<u>\$ 243,037</u>	<u>\$ 18,163</u>	<u>\$ 638,687</u>	<u>\$ 62,298</u>	<u>\$1,514,371</u>	<u>\$ 33,033</u>	<u>\$ 359,061</u>	<u>\$ 2,161</u>	<u>\$ 5,377,226</u>

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
COMBINING STATEMENT OF ASSETS AND LIABILITIES –  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds									
	Court Registry	Fines and Costs	Intangible Tax	State Documentary Stamp	Suspense	Tax Redemption	Ordinary Witness	Bail Bonds	Flower Trust Fund	TOTAL
<b>ADDITIONS</b>										
Deposits in court registry	\$ 7,209,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,209,835
Recording fees	73,360	-	7,571,628	34,940,063	-	-	-	-	-	42,585,051
Deposits for real estate auction	1,801,520	-	-	-	-	-	-	-	-	1,801,520
Deposits for tax deeds	-	-	-	-	-	1,696,894	-	-	-	1,696,894
Deposits for restitution	-	-	-	-	153,477	-	-	-	-	153,477
Deposits for bonds	-	-	-	-	-	-	-	779,654	-	779,654
Payments from State	-	-	-	-	-	-	234	-	-	234
Payments from individuals	-	3,656,905	-	-	835,260	-	-	-	852	4,493,017
Unclaimed funds	-	-	-	-	-	-	-	26,616	-	26,616
<b>Total Additions</b>	<b>9,084,715</b>	<b>3,656,905</b>	<b>7,571,628</b>	<b>34,940,063</b>	<b>988,737</b>	<b>1,696,894</b>	<b>234</b>	<b>806,270</b>	<b>852</b>	<b>58,746,298</b>
<b>DEDUCTIONS</b>										
Release of bonds	-	-	-	-	-	-	-	700,643	-	700,643
Refunds of real estate auction de	1,374,173	-	-	-	-	536,495	-	-	-	1,910,668
Tax deed deferred	-	-	-	-	-	488,451	-	-	-	488,451
Payments to state	67,913	2,246,063	8,194,477	37,568,205	803,467	-	-	-	-	48,880,125
Payment to local agencies	-	1,354,703	46,167	180,469	1,495	-	-	26,616	-	1,609,450
Payments for witnesses	-	-	-	-	-	-	3,938	-	-	3,938
Payments to victims	-	-	-	-	153,476	-	-	-	-	153,476
Refunds	-	-	-	-	16,848	164,198	-	-	-	181,046
Court ordered disbursements	6,501,565	-	-	-	-	-	-	-	-	6,501,565
Flower fund	-	-	-	-	-	-	-	-	431	431
<b>Total deductions</b>	<b>7,943,651</b>	<b>3,600,766</b>	<b>8,240,644</b>	<b>37,748,674</b>	<b>975,286</b>	<b>1,189,144</b>	<b>3,938</b>	<b>727,259</b>	<b>431</b>	<b>60,429,793</b>
Changes in net position	1,141,064	56,139	(669,016)	(2,808,611)	13,451	507,750	(3,704)	79,011	421	(1,683,495)
Net position beginning, restated	1,365,351	186,898	687,179	3,447,298	48,847	1,006,621	36,737	280,050	1,740	7,060,721
<b>Net position ending</b>	<b>\$ 2,506,415</b>	<b>\$ 243,037</b>	<b>\$ 18,163</b>	<b>\$ 638,687</b>	<b>\$ 62,298</b>	<b>\$ 1,514,371</b>	<b>\$ 33,033</b>	<b>\$ 359,061</b>	<b>\$ 2,161</b>	<b>\$ 5,377,226</b>

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

Honorable Donald Spencer – Clerk of Court and Comptroller  
Santa Rosa 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 Office of Clerk of Court and Comptroller of Santa Rosa County, Florida (hereinafter referred to as “Clerk”), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk’s financial statements and have issued our report thereon dated February 25, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Clerk’s internal control over financial reporting (internal control) 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 Clerk’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk’s internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Clerk’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 report is not suitable for any other purpose.

*Warren Averett, LLC*

Pensacola, Florida  
February 25, 2022

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF  
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Donald Spencer – Clerk of Court and Comptroller  
Santa Rosa County, Florida

We have examined the Office of Clerk of Court and Comptroller of Santa Rosa County, Florida's (hereinafter referred to as the "Clerk") compliance with Florida Statute 218.415 in regards to investments, Florida Statutes 28.35 and 28.36 in regard to certain court-related functions and Florida Statute 61.181 in regard to operation of a depository for alimony and child support for the year ended September 30, 2021. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

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

*Warren Averett, LLC*

Pensacola, Florida  
February 25, 2022



## MANAGEMENT LETTER

Honorable Donald Spencer – Clerk of Court and Comptroller  
Santa Rosa County, Florida

### Report on the Financial Statements

We have audited the financial statements (“financial statements”) of each major fund and the aggregate remaining fund information of the Office of Clerk of Court and Comptroller of Santa Rosa County, Florida (hereinafter referred to as “Clerk”), as of and for the year ended September 30, 2021, and have issued our report thereon dated February 25, 2022.

### 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 on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant’s Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 25, 2022, 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 corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding audit report.

### Financial Management

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

### Additional Matters

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

**Purpose of this Letter**

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

*Warren Averett, LLC*

Pensacola, Florida

February 25, 2022

**SANTA ROSA COUNTY, FLORIDA CLERK OF COURT AND COMPTROLLER  
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER  
SEPTEMBER 30, 2021**

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There are no findings, which require a response from management.

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2021**

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
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SEPTEMBER 30, 2021**

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## INDEPENDENT AUDITORS' REPORT

Honorable Gregory S. Brown  
Santa Rosa County Property Appraiser

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

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

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

## **Opinion**

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

## **Emphasis of Matter**

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

## **Other Matters**

### *Required Supplementary Information*

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

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

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

*Warren Averett, LLC*

Pensacola, Florida  
December 3, 2021

**SANTA ROSA COUNTY, FLORIDA PROPERTY APPRAISER  
BALANCE SHEET – GENERAL FUND  
SEPTEMBER 30, 2021**

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**ASSETS**

Cash	<u>\$ 211,637</u>
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**LIABILITIES**

Accounts payable	\$ 38,408
Due to Board of County Commissioners	94,946
Accrued payroll and benefits	<u>78,283</u>
Total liabilities	211,637

**FUND BALANCE**

Fund balance - unassigned	<u>-</u>
Total liabilities and fund balance	<u>\$ 211,637</u>

See notes to the financial statements.



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

**REVENUES**

Charges for services	\$	20,354
Miscellaneous		17,398
		37,752
Total revenues		37,752

**EXPENDITURES**

Current:		
General government:		
Personal services		3,122,300
Operating expenditures		560,531
Capital outlay		88,685
		3,771,516
Total expenditures		3,771,516
Deficiency of revenues over expenditures		(3,733,764)

**OTHER FINANCING SOURCES (USES)**

Board of County Commissioners appropriation		3,828,710
Board of County Commissioners unspent revenue		(94,946)
		3,733,764
Total other financing sources		3,733,764

**NET CHANGE IN FUND BALANCE**

**FUND BALANCE, BEGINNING OF YEAR**

**FUND BALANCE, END OF YEAR**

		-
		-
	\$	-

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows.

**Reporting Entity**

The Santa Rosa County, Florida Property Appraiser (the "Property Appraiser"), as established by Article VIII of the Constitution of the State of Florida, is an elected official of Santa Rosa County, Florida (the "County"). Although the Property Appraiser is operationally autonomous from the Santa Rosa County Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is considered part of the County's primary government.

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

**Fund Accounting**

The accounting system of the Property Appraiser is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The general fund of the Property Appraiser is used to account for all financial resources, which are generated from operations of the office, appropriations from the Board or any other resources not required to be accounted for in another fund. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

**Basis of Accounting**

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. The general fund uses the modified accrual basis of accounting. Its revenues are recognized when they become both measurable and available as net current assets. The Property Appraiser considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred, except for compensated absences.

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES – CONTINUED**

**Accounting for Capital Assets**

Capital assets (vehicles, equipment and other tangible and certain intangible property costing at least \$1,000 with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and accounted for in the County's government-wide financial statements.

**Compensated Absences**

Employees accumulate a limited amount of earned, but unused annual and sick leave, which will be paid upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the County's government-wide financial statements. For the general fund, compensated absence expenditures are recognized when payments are made to employees.

**Unspent Revenue and Fund Balance**

In accordance with Section 218.36(2), Florida Statutes, unspent revenue is remitted to the Board at fiscal year-end. This unspent revenue is reported as "Due to Board of County Commissioners." Therefore, fund balance is zero.

**Subsequent Events**

The Property Appraiser has evaluated events and transactions that occurred between September 30, 2021 and December 3, 2021, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

**2. CASH**

At September 30, 2021, the bank reported deposits before outstanding checks of \$221,517, all of which were held by a financial institution designated as "a qualified public depository" by the State Treasurer. All deposits were fully insured through a combination of Federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. Accordingly, risk of loss due to bank failure is not significant.

**3. PENSION AND RETIREMENT PLAN**

Substantially all full-time employees of the Property Appraiser are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.myfrs.com](http://www.myfrs.com) or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida 32399.

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**3. PENSION AND RETIREMENT PLAN – CONTINUED**

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost-sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age.

Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age.

Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class.

Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service, whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings, less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

The Deferred Retirement Option Program (DROP) is available for members of the FRS Pension Plan, who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to five years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit.

Disability retirees are not eligible to participate in DROP and DROP participants do not qualify for disability retirement.

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**3. PENSION AND RETIREMENT PLAN – CONTINUED**

Participating employees contribute 3% of their gross salaries each pay period to the plan, whereas employer contributions are based upon statewide rates established by the State of Florida. Average contribution rates for the fiscal year ended September 30, 2021, were as follows: regular employees-10.21%, special risk employees-24.81%, elected officials-49.74%, senior management employees-27.72% and DROP participants-17.32%.

The Property Appraiser's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively-mandated contribution rates.

Contributions to both plans totaled \$311,488, \$214,784 and \$193,353 for the years ended September 30, 2021, 2020, and 2019, respectively.

*Net Pension Liability – Proportionate Share*

The Property Appraiser has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the countywide financial statements and is not a current liability of the general fund. All required disclosures and schedules may be found in the countywide financial statements of Santa Rosa County, Florida.

**4. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN**

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Property Appraiser's Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County, as a whole and not separately for the Property Appraiser's Office. Accordingly, these calculations and disclosures can be found in the County's Comprehensive Annual Financial Report.

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**5. RISK MANAGEMENT**

The Property Appraiser is exposed to various risks of loss related to torts: theft and damage of assets, errors and omissions, injuries to employees and natural disasters. The Board has a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.

The County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Buildings and Contents – \$5,000 deductible
- Boats
- Employee Fidelity
- General Liability – \$25,000 deductible
- Public Officials' Liability – \$25,000 deductible

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public official's liability coverage.

The Property Appraiser participates in the County's self-insurance program and makes payments to the Self-Insurance Fund based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

**6. LITIGATION**

The Property Appraiser is contingently liable with respect to lawsuits and other claims, which might be filed incidental to the ordinary course of operations. In the opinion of management, based on the advice of legal counsel, there are no lawsuits or claims outstanding which might have a material adverse effect on the financial position of the Property Appraiser's Office.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SANTA ROSA COUNTY, FLORIDA PROPERTY APPRAISER  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET AND ACTUAL  
GENERAL FUND (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 20,354	\$ 20,354
Miscellaneous	-	-	17,398	17,398
Total revenues	-	-	37,752	37,752
<b>EXPENDITURES</b>				
Current:				
General government:				
Personal services	3,332,968	3,287,885	3,122,300	165,585
Operating expenditures	572,992	570,193	560,531	9,662
Capital outlay	30,794	117,253	88,685	28,568
Total expenditures	3,936,754	3,975,331	3,771,516	203,815
Excess (deficiency) of revenues over expenditures	(3,936,754)	(3,975,331)	(3,733,764)	241,567
<b>OTHER FINANCING SOURCES (USES)</b>				
BOCC appropriation	3,936,754	3,975,331	3,828,710	(146,621)
BOCC unspent revenue	-	-	(94,946)	(94,946)
Total other financing sources (uses)	3,936,754	3,975,331	3,733,764	(241,567)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to the required supplementary information.



**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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**Budget and Budgetary Accounting**

The Property Appraiser operates under budget procedures pursuant to Section 195.087, Florida Statutes. The Property Appraiser's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level.

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

Honorable Gregory S. Brown  
Santa Rosa County Property Appraiser

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Santa Rosa County, Florida Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated December 3, 2021.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

*Warren Averett, LLC*

Pensacola, Florida  
December 3, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF  
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Gregory S. Brown  
Santa Rosa County Property Appraiser

We have examined the Office of the Property Appraiser of Santa Rosa County, Florida's (hereinafter referred to as "Property Appraiser") compliance with Florida Statute 218.415 in regard to investments for the year ended September 30, 2021.

Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

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

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

*Warren Averett, LLC*

Pensacola, Florida  
December 3, 2021

## MANAGEMENT LETTER

Honorable Gregory S. Brown  
Santa Rosa County Property Appraiser

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

We have audited the financial statements of the general fund of the Office of the Property Appraiser of Santa Rosa County, Florida, as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements and have issued our report thereon dated December 3, 2021.

### **Auditors' Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports which are dated December 3, 2021, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

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

### **Financial Management**

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

### **Additional Matters**

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

**Purpose of this Letter**

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

*Warren Averett, LLC*

Pensacola, Florida  
December 3, 2021

**SANTA ROSA COUNTY, FLORIDA  
PROPERTY APPRAISER  
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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There were no comments, which require management's written response.

**SANTA ROSA COUNTY, FLORIDA SHERIFF**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**



**SANTA ROSA COUNTY, FLORIDA SHERIFF  
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## INDEPENDENT AUDITORS' REPORT

Honorable Robert Johnson, Sheriff  
Santa Rosa County, Florida

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

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Office of the Sheriff of Santa Rosa County, Florida ("Sheriff"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff's financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

## **Opinions**

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

## **Change in Accounting Principle**

As discussed in Note 2 to the financial statements, in 2021 the Sheriff adopted new accounting guidance, GASBS. No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to above have been prepared for the purpose of complying with the Rules of the Auditor General, 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 the aggregate remaining fund information of Santa Rosa County, Florida that are attributable to the Sheriff. They do not purport to and do not present fairly the financial position of Santa Rosa County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements. The accompanying combining fund financial statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of these 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 financial statements. The 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

*Warren Averett, LLC*

Pensacola, Florida  
February 16, 2022

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
BALANCE SHEET – GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	Major Funds			Non-Major	Total
	General	Jail Commissary	Grants	Other Governmental Funds	
<b>ASSETS</b>					
Cash	\$ 4,045,875	\$ 764,675	\$ 740,810	\$ 116,437	\$ 5,667,797
Due from other funds	1,147,176	-	5,826	-	1,153,002
Due from other governmental units	233,500	-	427,378	-	660,878
Accounts receivable	13,092	26,124	-	-	39,216
Inventory	31,366	-	-	-	31,366
<b>TOTAL ASSETS</b>	<b>\$ 5,471,009</b>	<b>\$ 790,799</b>	<b>\$ 1,174,014</b>	<b>\$ 116,437</b>	<b>\$ 7,552,259</b>
<b>LIABILITIES</b>					
Accounts payable and accrued payroll	\$ 3,233,698	\$ 13,258	\$ 43,881	\$ -	\$ 3,290,837
Due to other funds	5,826	59,463	1,086,638	1,075	1,153,002
Due to other governmental units	2,186,057	-	17,668	-	2,203,725
Unearned revenue	14,062	-	25,827	-	39,889
Total liabilities	5,439,643	72,721	1,174,014	1,075	6,687,453
<b>FUND BALANCES</b>					
Restricted for inmate welfare and recreation	-	718,078	-	-	718,078
Restricted for law enforcement training	-	-	-	115,362	115,362
Nonspendable - inventory	31,366	-	-	-	31,366
Total fund balances	31,366	718,078	-	115,362	864,806
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,471,009</b>	<b>\$ 790,799</b>	<b>\$ 1,174,014</b>	<b>\$ 116,437</b>	<b>\$ 7,552,259</b>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Major Funds</u>			<u>Non-Major</u>	<u>Total</u>
	<u>General</u>	<u>Jail Commissary</u>	<u>Grants</u>	<u>Other Governmental Funds</u>	
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ 392,428	\$ 392,428
Intergovernmental	-	-	3,632,462	28,387	3,660,849
Commissions	-	544,446	-	-	544,446
Miscellaneous	8,040	-	-	11	8,051
Total revenues	8,040	544,446	3,632,462	420,826	4,605,774
<b>EXPENDITURES</b>					
Current					
General government:					
Judicial:					
Personal services	1,306,378	-	-	-	1,306,378
Operating	24,964	-	-	-	24,964
Public safety:					
Law enforcement:					
Personal services	24,229,760	-	3,505,660	-	27,735,420
Operating	6,904,208	-	119,061	14,120	7,037,389
Capital outlay	1,773,220	-	7,741	392,428	2,173,389
Correction and detention:					
Personal services	11,654,646	114,955	-	-	11,769,601
Operating	5,783,813	374,673	-	-	6,158,486
Total expenditures	51,676,989	489,628	3,632,462	406,548	56,205,627
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(51,668,949)	54,818	-	14,278	(51,599,853)
<b>OTHER FINANCING SOURCES (USES)</b>					
BOCC appropriation	53,195,027	-	-	-	53,195,027
BOCC unspent funds	(1,529,307)	-	-	-	(1,529,307)
Total other financing sources (uses)	51,665,720	-	-	-	51,665,720
<b>NET CHANGES IN FUND BALANCES</b>	(3,229)	54,818	-	14,278	65,867
<b>FUND BALANCES, BEGINNING OF YEAR</b>	34,595	663,260	-	101,084	798,939
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 31,366</u>	<u>\$ 718,078</u>	<u>\$ -</u>	<u>\$ 115,362</u>	<u>\$ 864,806</u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
SEPTEMBER 30, 2021**

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**ASSETS**

Cash	\$ 51,715
<b>TOTAL ASSETS</b>	<u>51,715</u>

**LIABILITIES**

Accrued child support purges and levies	9,867
Due to BOCC	7,237
Due to florists	180
<b>TOTAL LIABILITIES</b>	<u>17,284</u>

**NET POSITION**

Restricted for:	
Seizure	20,992
Flowers or donations	13,439
<b>TOTAL NET POSITION</b>	<u>\$ 34,431</u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

---

**ADDITIONS**

Child support purges and levies	\$ 75,460
Cash seized	7,801
Contributions from employees	3,349
	86,610
Total additions	86,610

**DEDUCTIONS**

Purges and levies paid to other government agencies	75,460
Paid to BOCC LET	7,652
Payments for flowers or donations	1,733
	84,845
Total deductions	84,845

<b>NET CHANGE IN FIDUCIARY NET POSITION</b>	1,765
<b>NET POSITION, OCTOBER 1, 2020 (RESTATED)</b>	32,666
<b>NET POSITION, SEPTEMBER 30, 2021</b>	\$ 34,431

See notes to the financial statements.



**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the financial statements is as follows:

**Reporting Entity**

The Office of the Sheriff of Santa Rosa County, Florida (the "Sheriff"), as established by Article VIII of the Constitution of the State of Florida, is an elected official of Santa Rosa County, Florida (the "County"). Although the Sheriff is operationally autonomous from the Santa Rosa County Board of County Commissioners (the "Board"), the Sheriff does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is considered part of the County's primary government.

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

**Fund Accounting**

The accounting system of the Sheriff is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The funds utilized by the Sheriff's office are as follows:

**Governmental Funds**

These funds utilize a modified accrual basis of accounting. The measurement focus is based upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources rather than upon net income determination). The Sheriff reports the following major governmental funds:

General Fund is used to account for all financial resources, which are generated from operations of the office, appropriations from the Board or any other resources not required to be accounted for in another fund.

Jail Commissary Fund accounts for jail commissary and vending machine revenues that are used to provide recreational facilities and equipment for inmates.

Grants Fund accounts for grant revenues and expenditures according to the terms of each grant.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Governmental Funds – Continued**

Non-major governmental funds of the Sheriff are as follows:

Second Dollar accounts for shared fine revenues from the Board, which are used for law enforcement training purposes.

LOST accounts for the half-penny local options sales tax (LOST), which is used towards capital projects.

**Fiduciary Funds**

The Sheriff uses custodial funds to account for assets held in a custodial capacity for others.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and 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. Revenues are recognized when they become both measurable and available as net current assets. The Sheriff considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred. Custodial funds use the accrual basis of accounting.

**Cash and Cash Equivalents**

For financial statement reporting, all highly-liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

**Inventory**

Inventory, which consists of expendable supplies held for consumption, is stated at cost using the average cost method. Inventory is recorded when consumed rather than when purchased.

**Accounting for Capital Assets**

Capital assets (vehicles, equipment and other tangible and certain intangible property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures by the acquiring fund at the time of purchase. The Sheriff does not engage in the acquisition of public domain (infrastructure) assets.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at estimated acquisition value on the date donated.

Depreciation of vehicles and equipment is calculated using the straight-line method over the estimated useful lives of the assets of 3 to 10 years.

Capital assets and related depreciation expense are reported as a component of the County's annual comprehensive financial report and are not reflected in the Sheriff's governmental fund financial statements. Buildings and improvements are owned by the Board of County Commissioners.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Compensated Absences**

Employees accumulate a limited amount of earned but unused sick leave, annual leave and compensatory time, which will be paid upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the County's annual comprehensive financial report. For the governmental fund financial statements, expenditures are not recognized until payments are made to employees.

**Unspent Appropriations from the Board**

In accordance with Section 30.50 (6), Florida Statutes, excess appropriations are returned to the Board at fiscal year-end and are reported in the "due to other governmental units" liability account. Charges for services, interest income and other miscellaneous revenues collected by the Sheriff are considered to be "custodial" transactions, not available for expenditure by the Sheriff and are remitted to the Board on a monthly basis.

**Fund Balances**

Fund balances are classified as either non-spendable or as restricted, committed, assigned and unassigned, based on the extent to which there are external and internal constraints on the spending thereof.

**2. CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended September 30, 2021, the Sheriff implemented GASB Statement No. 84, Fiduciary Activities. With the implementation, the Sheriff is required to record the beginning net position of custodial funds.

The beginning net position of the fiduciary funds has been restated to reflect the new guidance as follows:

**Custodial Fund Statement of Changes in Fiduciary Net Position**

October 1, 2020 net position balance, as previously reported	\$ -
Record net position under GASB Statement No. 84	<u>32,666</u>
October 1, 2020 net position balance, as restated	<u><u>\$ 32,666</u></u>

**3. CASH**

The Sheriff's deposits at year-end were held by a financial institution designated as a "qualified public depository" by the State Treasurer. All deposits were fully insured through a combination of Federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. At September 30, 2021, the reported amount of the Sheriff's deposits was \$5,719,512, and the bank balance was \$7,023,732, consisting entirely of deposits in checking accounts with a financial institution.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**4. INTERFUND BALANCES**

Interfund balances at September 30, 2021, consisted of the following:

<b>Fund</b>	<b>Receivable</b>	<b>Payable</b>
General Fund	\$ 1,147,176	\$ 5,826
Jail Commissary Fund	-	59,463
Grants	5,826	1,086,638
Non-major governmental funds	-	1,075
	<b>\$ 1,153,002</b>	<b>\$ 1,153,002</b>

Amounts due to the General Fund from grants and non-major governmental funds are related to advances which will be paid back to the General Fund after taxes are collected and reimbursement is received from grantors, respectively. Amounts due to the General Fund from the Jail Commissary Fund are for various expenditures paid by the General Fund on behalf of the Jail Commissary Fund.

**5. PENSION AND RETIREMENT PLAN**

Substantially all full-time employees of the Sheriff are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes, and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.myfrs.com](http://www.myfrs.com) or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer cost sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65, with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**5. PENSION AND RETIREMENT PLAN – CONTINUED**

Early retirement is available after eight years of service, with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service, whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings, less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

DROP is available for members of the FRS Pension Plan who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to five years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases.

When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Prior to July 2011, the plans were noncontributory for employees with all contributions being the participating FRS employer's responsibility. Effective July 1, 2011, participating employees contribute 3% of their gross salaries each pay period to the plan. Participating employer contributions are based upon state-wide rates established by the State of Florida. Average contribution rates for the fiscal year ended September 30, 2021, were as follows: regular employees – 10.21%, special risk employees – 24.81%, elected officials – 49.74%, senior management employees – 27.72%, and DROP participants – 17.32%. The Sheriff's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively-mandated contribution rates. Contributions to both plans totaled \$5,513,485, \$5,290,728 and \$4,770,306 for the years ended September 30, 2021, 2020 and 2019, respectively.

*Net Pension Liability – Proportionate Share*

The Sheriff has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the County's annual comprehensive financial report and is not a current liability of the governmental funds. All required disclosures and schedules may be found in the annual comprehensive financial report of Santa Rosa County, Florida.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**6. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN**

The Sheriff offers post-employment health care benefits (OPEB) to all retired employees and their dependents. Participating retirees are required to reimburse the Sheriff for 100% of the premium cost, which is netted against the premium payment, so that no net expenditure is initially recorded in the financial statements. However, these retirees are receiving an “implicit subsidy” because the premium is a group rate, which includes active lower cost employees. This implicit subsidy has a cost; however, the annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Sheriff. Accordingly, these calculations and disclosures can be found in the County’s annual comprehensive financial report.

**7. GRANT ASSISTANCE**

The Sheriff serves as implementing agency for various grants, which are reported in the Single Audit Report prepared by the Board.

**8. RISK MANAGEMENT**

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board of County Commissioners has established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the County is self-insured with respect to the following exposures:

- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment
- Workers’ Compensation

The County is covered by outside insurance for the following exposures:

- Employee Fidelity
- General Liability, \$25,000 deductible
- Public Officials’ Liability, \$25,000 deductible
- Building Contents, \$5,000 deductible

Conventional insurance provided by the Florida Sheriff’s Risk Management Fund remains in effect for the Sheriff’s general and professional liability, the Sheriff’s workers’ compensation liability, the Sheriff’s automobiles, and the Sheriff’s medical catastrophic insurance for treatment of prisoners. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Annual premium costs under the workers’ compensation coverage were \$931,565 and \$965,498 for the years ended September 30, 2021 and 2020, respectively. Coverage limits under the policy include \$1,000,000 bodily injury for each accident and \$1,000,000 bodily injury by disease for each employee with a \$1,000,000 limit.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**9. FUND BALANCES**

Fund balances are classified as follows:

*Non-spendable* fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.

Other fund balance amounts are classified depending on the Sheriff's ability to control the spending of the fund balances as follows:

*Restricted* fund balances can only be used for specific purposes, which are externally imposed by creditors, grantors, contributors and other governments (via laws and regulations) or are imposed by law through constitutional provisions or enabling legislation.

*Committed* fund balances can only be used for specific purposes imposed internally by the Sheriff's formal action of highest level of decision-making authority. At year-end, the Sheriff had no committed fund balances.

*Assigned* fund balances are fund balances intended to be used for specific purposes, but which do not meet the more formal criterion to be considered either restricted or committed. At year-end, the Sheriff had no assigned fund balances.

*Unassigned* fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. At year-end, the Sheriff had no unassigned fund balances because all unspent Board appropriations of the General Fund are required to be remitted to the Board, and there were no negative residual balances in the special revenue funds.

**10. CLAIMS AND CONTINGENCIES**

The Sheriff is involved from time to time in routine civil litigation incidental to the ordinary course of operations. In the opinion of management and legal counsel, there are no lawsuits or claims outstanding, which might materially affect the financial position of the Sheriff's Office.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**11. COMMITMENTS AND CONTINGENCIES**

**Operating Lease**

The Sheriff is committed to an operating lease for equipment with terms in excess of one year. Future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 59,447
2023	59,447
2024	59,447
	<u>\$ 178,341</u>

Rent expense for the year ended September 30, 2021 was \$59,447.



**REQUIRED SUPPLEMENTARY INFORMATION**

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ 8,040	\$ 8,040
Total revenues	-	-	8,040	8,040
<b>EXPENDITURES</b>				
Current:				
General government:				
Judicial:				
Personal services	1,259,940	1,307,113	1,306,378	735
Operating	43,350	29,521	24,964	4,557
Public safety:				
Law enforcement:				
Personal services	24,541,665	24,229,769	24,229,760	9
Operating	5,199,360	5,771,603	6,904,208	(1,132,605)
Capital outlay	1,654,240	3,215,750	1,773,220	1,442,530
Correction and detention:				
Personal services	11,608,860	12,310,237	11,654,646	655,591
Operating	6,923,980	6,331,034	5,783,813	547,221
Total expenditures	<u>51,231,395</u>	<u>53,195,027</u>	<u>51,676,989</u>	<u>1,518,038</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(51,231,395)	(53,195,027)	(51,668,949)	1,526,078
<b>OTHER FINANCING SOURCES (USES)</b>				
BOCC appropriation	51,231,395	53,195,027	53,195,027	-
BOCC unspent funds	-	-	(1,529,307)	(1,529,307)
Total other financing sources (uses)	<u>51,231,395</u>	<u>53,195,027</u>	<u>51,665,720</u>	<u>(1,529,307)</u>
<b>NET CHANGES IN FUND BALANCE</b>	-	-	(3,229)	(3,229)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	34,595	34,595
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,366</u>	<u>\$ 31,366</u>

See notes to the required supplementary information.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2021**

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**BUDGETS AND BUDGETARY ACCOUNTING**

The Sheriff operates under budget procedures pursuant to Chapters 30 and 129, Florida Statutes. The General Fund's budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The Sheriff is not legally required to prepare a budget for the other governmental funds; therefore, comparative budget and actual results are not presented for these funds. The legal level of budgetary control is the fund level.

**SUPPLEMENTARY INFORMATION – COMBINING FUND  
FINANCIAL STATEMENTS**

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
COMBINING BALANCE SHEET – ALL NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<u>LOST Fund</u>	<u>Second Dollar Fund</u>	<u>Totals</u>
<b>ASSETS</b>			
Cash	\$ 100	\$ 116,337	\$ 116,437
<b>TOTAL ASSETS</b>	<u>\$ 100</u>	<u>\$ 116,337</u>	<u>\$ 116,437</u>
<b>LIABILITIES</b>			
Due to other funds	\$ 100	\$ 975	\$ 1,075
Total liabilities	100	975	1,075
<b>FUND BALANCES</b>			
Restricted for law enforcement training	-	115,362	115,362
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 100</u>	<u>\$ 116,337</u>	<u>\$ 116,437</u>

See independent auditors' report.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES – ALL NON-MAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>LOST Fund</u>	<u>Second Dollar Fund</u>	<u>Totals</u>
<b>REVENUES</b>			
Taxes	\$ 392,428	\$ -	\$ 392,428
Intergovernmental	-	28,387	28,387
Miscellaneous	-	11	11
Total revenues	<u>392,428</u>	<u>28,398</u>	<u>420,826</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Law enforcement:			
Operating	-	14,120	14,120
Capital outlay	392,428	-	392,428
Total expenditures	<u>392,428</u>	<u>14,120</u>	<u>406,548</u>
<b>NET CHANGES IN FUND BALANCES</b>	-	14,278	14,278
<b>FUND BALANCES, BEGINNING OF YEAR</b>	-	101,084	101,084
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 115,362</u>	<u>\$ 115,362</u>

See independent auditors' report.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
COMBINING STATEMENT OF FIDUCIARY NET POSITION – ALL CUSTODIAL FUNDS  
SEPTEMBER 30, 2021**

	<u>Suspense Fund</u>	<u>Seizure Fund</u>	<u>Flower Fund</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash	\$ 9,867	\$ 20,676	\$ 21,172	\$ 51,715
<b>TOTAL ASSETS</b>	<u>9,867</u>	<u>20,676</u>	<u>21,172</u>	<u>51,715</u>
<b>LIABILITIES</b>				
Accrued child support purges and levies	9,867	-	-	9,867
Due to BOCC	-	7,237	-	7,237
Due to florists	-	-	180	180
<b>TOTAL LIABILITIES</b>	<u>9,867</u>	<u>7,237</u>	<u>180</u>	<u>17,284</u>
<b>NET POSITION</b>				
Restricted for:				
Seizure	-	-	20,992	20,992
Flowers or donations	-	13,439	-	13,439
<b>TOTAL NET POSITION</b>	<u>\$ -</u>	<u>\$ 13,439</u>	<u>\$ 20,992</u>	<u>\$ 34,431</u>

See independent auditors' report.

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – ALL CUSTODIAL  
FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Suspense Fund</u>	<u>Seizure Fund</u>	<u>Flower Fund</u>	<u>Totals</u>
<b>ADDITIONS</b>				
Child support purges and levies	\$ 75,460	\$ -	\$ -	\$ 75,460
Cash seized	-	7,801	-	7,801
Contributions from employees	-	-	3,349	3,349
Total additions	<u>75,460</u>	<u>7,801</u>	<u>3,349</u>	<u>86,610</u>
<b>DEDUCTIONS</b>				
Purges and levies paid to other govt agencies	75,460	-	-	75,460
Paid to BOCC LET	-	7,652	-	7,652
Payments for flowers or donations	-	-	1,733	1,733
Total deductions	<u>75,460</u>	<u>7,652</u>	<u>1,733</u>	<u>84,845</u>
<b>NET CHANGE IN FIDUCIARY NET POSITION</b>	-	149	1,616	1,765
<b>NET POSITION, OCTOBER 1, 2020 (RESTATED)</b>	<u>-</u>	<u>13,290</u>	<u>19,376</u>	<u>32,666</u>
<b>NET POSITION, SEPTEMBER 30, 2021</b>	<u>\$ -</u>	<u>\$ 13,439</u>	<u>\$ 20,992</u>	<u>\$ 34,431</u>

See independent auditors' report.



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

Honorable Robert Johnson, Sheriff  
Santa Rosa 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 Office of the Sheriff of Santa Rosa County, Florida (hereinafter referred to as the "Sheriff"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff's financial statements, and have issued our report thereon dated February 16, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Sheriff's internal control over financial reporting (internal control) 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 Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

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

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

**Compliance and Other Matters**

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

*Warren Averett, LLC*

Pensacola, Florida

February 16, 2022

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF COMPLIANCE  
REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Robert Johnson, Sheriff  
Santa Rosa County, Florida

We have examined the Office of the Sheriff of Santa Rosa County, Florida's (hereinafter referred to as the "Sheriff") compliance with Florida Statute 218.415 in regard to investments for the year ended September 30, 2021. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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

*Warren Averett, LLC*

Pensacola, Florida  
February 16, 2022

## MANAGEMENT LETTER

Honorable Robert Johnson, Sheriff  
Santa Rosa County, Florida

### Report on the Financial Statements

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Office of the Sheriff of Santa Rosa County, Florida (hereinafter referred to as the "Sheriff"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated February 16, 2022.

### 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 Florida Auditor General*.

### Other Report Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 16, 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Financial Management

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

### Additional Matters

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

**Purpose of this Letter**

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

*Warren Averett, LLC*

Pensacola, Florida

February 16, 2022

**SANTA ROSA COUNTY, FLORIDA SHERIFF  
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER  
SEPTEMBER 30, 2021**

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There were no comments which require management's written response.

**SANTA ROSA COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2021**

**SANTA ROSA COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS  
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SEPTEMBER 30, 2021**

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## INDEPENDENT AUDITORS' REPORT

Honorable Tappie Villane  
Supervisor of Elections of Santa Rosa County, Florida

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

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinion***

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

**Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to previously were 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 accompanying financial statements are intended to present the financial position and changes in financial position of that portion of the general fund attributable solely to the operations of the Supervisor of Elections. They do not purport to and do not present fairly the financial position of Santa Rosa County, Florida, as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

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

**Other Reporting Required by Government Auditing Standards**

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

*Warren Averett, LLC*

Pensacola, Florida  
February 25, 2022

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS  
BALANCE SHEET – GENERAL FUND  
SEPTEMBER 30, 2021**

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**ASSETS**

Due from Board of County Commissioners	<u>\$ 71,473</u>
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**LIABILITIES**

Accounts payable	\$ 16,793
Accrued expenses	35,101
Unearned Revenue	<u>19,579</u>
Total liabilities	71,473

**FUND BALANCE**

Fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 71,473</u>

See notes to the financial statements.

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

**REVENUES**

Grant revenue	\$ 124,225
Miscellaneous revenue	<u>1,161</u>
Total revenues	125,386

**EXPENDITURES**

Current:	
General government:	
Personal services	782,970
Operating	723,988
Capital outlay	<u>113,530</u>
Total expenditures	<u>1,620,488</u>
Excess (deficiency) of revenues over expenditures	(1,495,102)

**OTHER FINANCING SOURCES**

Board of County Commissioners appropriation	<u>1,495,102</u>
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**NET CHANGE IN FUND BALANCE**

**FUND BALANCE, BEGINNING OF YEAR**

**FUND BALANCE, END OF YEAR**

	-
	<u>-</u>
	<u><u>\$ -</u></u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows.

**Reporting Entity**

The Santa Rosa County, Florida Supervisor of Elections (the “Supervisor of Elections”), as established by Article VIII of the Constitution of the State of Florida, is an elected official of Santa Rosa County, Florida (the “County”). Although the Supervisor of Elections is operationally autonomous from the Santa Rosa County Board of County Commissioners (the “Board”), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as a part of the primary government of the County.

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

Pursuant to the provisions of 129.202, Florida Statutes, the Supervisor of Elections has elected to have the Office of the Clerk of Court and Comptroller of Santa Rosa County maintain the books and records pertaining to the operations of the Supervisor of Elections. Therefore, the Supervisor of Elections does not maintain a separate cash account, and all cash activity for the Supervisor of Elections is recorded in the common cash account of the Board. The “Due from Board of County Commissioners” account on the balance sheet represents the amount of cash held on behalf of the Supervisor of Elections.

**Fund Accounting**

The accounting system of the Supervisor of Elections is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, recording cash and financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The general fund of the Supervisor of Elections is used to account for all financial resources, which are generated from operations of the office, appropriations from the Board or any other resources not required to be accounted for in another fund.

This fund utilizes a modified accrual basis of accounting. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES – CONTINUED**

**Basis of Accounting**

Basis of accounting refers to *when* revenues and expenditures are recognized in the accounts and reported in the financial statement. The 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 both measurable and available as net current assets. The Supervisor of Elections considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred.

**Accounting for Capital Assets**

Capital assets (vehicles, equipment and other tangible and certain intangible property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures in the fund level financial statements at the time of purchase. These assets are also capitalized at cost and accounted for in the County's comprehensive annual financial report.

**Compensated Absences**

Employees accumulate a limited amount of earned, but unused sick and annual leave, which will be paid upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the County's comprehensive annual financial report. For the governmental fund statements, expenditures are recognized when payments are made to employees.

**2. PENSION AND RETIREMENT PLAN**

Substantially, all full-time employees of the Supervisor of Elections are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.myfrs.com](http://www.myfrs.com) or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida 32399.

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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**2. PENSION AND RETIREMENT PLAN – CONTINUED**

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost-sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit, where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

DROP is available for members of the FRS Pension Plan who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to five years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**2. PENSION AND RETIREMENT PLAN – CONTINUED**

Participating employees contribute 3% of their gross salaries each pay period to the plan, whereas employer contributions are based upon state-wide rates established by the State of Florida. Average contribution rates for the fiscal year ended September 30, 2021, were as follows: regular employees, 10.21%; special risk employees, 24.81%; elected officials, 49.74%; senior management employees, 27.72%; and DROP participants, 17.32%.

The Supervisor of Elections contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively-mandated contribution rates. Contributions to both plans totaled \$103,747, \$95,222 and \$88,831 for the years ended September 30, 2021, 2020 and 2019, respectively.

*Net Pension Liability - Proportionate Share*

The Supervisor of Elections has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the General Fund. All required disclosures and schedules may be found in the county's comprehensive annual financial report of Santa Rosa County, Florida.

**3. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN**

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Supervisor of Election's Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower-cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County, as a whole, and not separately for the Supervisor of Election's Office. Accordingly, these calculations and disclosures can be found in the County's comprehensive annual financial report.



**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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**4. RISK MANAGEMENT**

The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to and damage of assets; errors and omissions; injuries to employees; and natural disasters. The Board uses a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.

The County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Buildings and contents – \$5,000 deductible
- Boats
- Employee Fidelity
- General Liability – \$25,000 deductible
- Public Officials' Liability – \$25,000 deductible

Conventional insurance remains in effect for buildings and their contents. Also, there were no significant reductions in insurance coverage from the prior year, and settled claims resulting from conventional insurance risks have not exceeded coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage. The Supervisor of Elections participates in the program and makes payments to the Self-Insurance Fund based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
GENERAL FUND (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>				
Grant revenues	\$ 28,870	\$ 153,095	\$ 124,225	\$ (28,870)
Miscellaneous revenues	-	-	1,161	1,161
Total revenues	28,870	153,095	125,386	(27,709)
<b>EXPENDITURES</b>				
Current				
General government				
Personal services	756,125	720,145	782,970	(62,825)
Operating	718,100	994,755	723,988	270,767
Capital outlay	-	116,450	113,530	2,920
Total expenditures	1,474,225	1,831,350	1,620,488	210,862
Excess (deficiency) of revenues over expenditures	(1,445,355)	(1,678,255)	(1,495,102)	183,153
<b>OTHER FINANCING SOURCES</b>				
Board of County Commissioners appropriation	1,445,355	1,678,255	1,495,102	(183,153)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to the required supplementary information.

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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**Budgets and Budgetary Accounting**

The Supervisor of Elections operates under budget procedures pursuant to Florida Statutes. The Supervisor of Elections' budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budget appropriations lapse at the end of the year and are not carried over to the following year. The legal level of budgetary control is at the fund level.

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

Honorable Tappie Villane  
Supervisor of Elections of Santa Rosa 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 Office of the Supervisor of Elections of Santa Rosa County, Florida (hereinafter referred to as "Supervisor of Elections"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated February 25, 2022.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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.

*Warren Averett, LLC*

Pensacola, Florida  
February 25, 2022

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF  
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Tappie Villane  
Supervisor of Elections of Santa Rosa County, Florida

We have examined the Office of the Supervisor of Elections of Santa Rosa County, Florida's (hereinafter referred to as the "Supervisor of Elections") compliance with Florida Statute 218.415 in regards to investments for the year ended September 30, 2021.

Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the Supervisor of Elections' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

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

*Warren Averett, LLC*

Pensacola, Florida  
February 25, 2022

## MANAGEMENT LETTER

Honorable Tappie Villane  
Supervisor of Elections of Santa Rosa County, Florida

### Report on the Financial Statements

We have audited the financial statements of the general fund of the Office of the Supervisor of Elections of Santa Rosa County, Florida (hereinafter referred to as the "Supervisor of Elections"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated February 25, 2022.

### 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 Florida 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 Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 25, 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Financial Management

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

### Additional Matters

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



**Purpose of this Letter**

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

*Warren Averett, LLC*

Pensacola, Florida  
February 25, 2022

**SANTA ROSA COUNTY, FLORIDA SUPERVISOR OF ELECTIONS  
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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There are no comments, which require management's written response.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2021**

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
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SEPTEMBER 30, 2021**

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Stan Colie Nichols  
Tax Collector of Santa Rosa County, Florida

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

We have audited the accompanying financial statements (hereinafter referred to as "Financial Statements") of the general fund and the tax fund of the Office of the Tax Collector of Santa Rosa County, Florida (hereinafter referred to as "Tax Collector"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

## **Opinions**

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

## **Change in Accounting Principle**

As discussed in Note 2 to the financial statements, in 2021 the Tax Collector adopted new accounting guidance GASB No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to the matter.

## **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* (the "Rules"). In conformity with the Rules, the accompanying financial statements are intended to present the financial position of the general fund and tax fund and changes in financial position of the general fund of Santa Rosa County that are attributable to the Tax Collector. They do not purport to and do not present fairly the financial position of Santa Rosa County as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

**Other Reporting Required by Government Auditing Standards**

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

*Warren Averett, LLC*

Pensacola, Florida

March 8, 2022

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
BALANCE SHEET – GOVERNMENTAL FUND  
SEPTEMBER 30, 2021**

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	<b>General Fund</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 518,082
<b>LIABILITIES</b>	
Accounts payable	\$ 12,835
Accrued payroll, taxes and benefits	11,912
Unearned revenues	125,623
Due to other governmental units	367,712
<b>TOTAL LIABILITIES</b>	518,082
<b>FUND BALANCE</b>	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	\$ 518,082

See notes to the financial statements.



**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – GOVERNMENTAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>General Fund</b>
<b>REVENUES</b>	
Charges for services	\$ 5,038,741
Miscellaneous	19,863
	5,058,604
<b>EXPENDITURES</b>	
Current:	
General government:	
Personal services	3,853,589
Operating	819,179
Capital outlay	31,324
	4,704,092
Total expenditures	4,704,092
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	354,512
Other Financing Sources and (Uses):	
Transfers out	(354,512)
	-
<b>NET CHANGE IN BALANCE FUND</b>	-
<b>FUND BALANCE, OCTOBER 1, 2020</b>	-
<b>FUND BALANCE, SEPTEMBER 30, 2021</b>	\$ -

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUND  
SEPTEMBER 30, 2021**

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	<u><b>Tax Fund</b></u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,451,860
Miscellaneous receivables	<u>250,542</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,702,402</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 4,500
Due to other governmental units	1,622,551
Miscellaneous liabilities	<u>75,351</u>
<b>TOTAL LIABILITIES</b>	<u>1,702,402</u>
<b>NET POSITION</b>	<u><u>\$ -</u></u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUND  
SEPTEMBER 30, 2021**

	<b>Tax Fund</b>
<b>ADDITIONS</b>	
Property tax collections for other governments	\$ 158,007,739
Other taxes and fees for other governments	741,086
License and fees collected for State	30,247,037
Other fees collected for other entities	5,436,432
Total additions	194,432,294
<b>DEDUCTIONS</b>	
Payments of property tax to other governments	158,007,739
Payments of other taxes and fees to other governments	741,086
Payments to State	30,247,037
Payments to other entities	5,436,432
Total deductions	194,432,294
<b>NET CHANGE IN FIDUCIARY NET POSITION</b>	-
<b>NET POSITION, OCTOBER 1, 2020</b>	-
<b>NET POSITION, SEPTEMBER 30, 2021</b>	\$ -

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows.

**Reporting Entity**

The Office of the Tax Collector of Santa Rosa County, Florida (the "Tax Collector"), as established by Article VIII, Section 1(d), of the Constitution of the State of Florida, is an elected official of Santa Rosa County, Florida (the "County"). Although the Tax Collector is operationally autonomous from the Santa Rosa County Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is considered part of the County's primary government for external financial reporting purposes.

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

**Fund Accounting**

The accounting system of the Tax Collector is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The funds utilized by the Tax Collector are as follows:

*Governmental Funds*

These funds utilize a modified accrual basis of accounting. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

*General Fund*

The general fund of the Tax Collector is used to account for all financial resources which are generated from operations of the office and any other resources not required to be accounted for in another fund.

*Fiduciary Funds*

The Tax Collector's sole fiduciary fund is a custodial fund (the "Tax Fund"). Custodial funds are used to account for assets held for individuals, private organizations or other governments and consist primarily of taxes and fees collected, but not distributed to other governments. The Tax Fund is used primarily to account for receipts of various types of taxes, licenses and fees collected on behalf of state, county and municipal governmental agencies.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**1. SUMMARY OF ACCOUNTING POLICIES – CONTINUED**

**Basis of Accounting**

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. All governmental funds are accounted for using the modified accrual basis of accounting. The revenues are recognized when they become both measurable and available as net current assets. The Tax Collector considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred. Custodial funds use the accrual basis of accounting.

**Cash and Cash Equivalents**

Cash equivalents are highly liquid investments with maturities of three months or less when purchased.

**Accounting for Capital Assets**

Capital assets are recorded as expenditures at the time of purchase by the Tax Collector. These assets (vehicles, equipment and other tangible property and certain intangible property costing at least \$5,000 with a useful life of more than one year) are capitalized at cost and accounted for in the County's government-wide financial statements.

**Compensated Absences**

Employees accumulate a limited amount of earned, but unused annual and sick leave, which will be paid upon separation from service. Compensated absence expenditures are not recognized in the General Fund until payments are made to employees. However, these unpaid compensated absences are recorded as a liability when the benefits are earned in the County's government-wide financial statements.

**Unspent Revenue and Fund Balance**

In accordance with Section 218.36, Florida Statutes, unspent revenue is remitted proportionately to the various taxing districts at fiscal year-end. As a result, no fund balance exists at year end in the General Fund.

**2. CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended September 30, 2021, the Tax Collector implemented GASB Statement No. 84, *Fiduciary Activities*.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**3. CASH**

At September 30, 2021, the bank reported deposits before outstanding checks and deposits of \$1,927,630; all of which was held by a financial institution designated as a "qualified public depository" by the State Treasurer.

All deposits were fully insured through a combination of Federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. Accordingly, the Tax Collector does not believe it is exposed to any significant credit risk on its cash balances.

**4. PENSION AND RETIREMENT PLAN**

Substantially all full-time employees of the Tax Collector are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes, and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.myfrs.com](http://www.myfrs.com) or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost-sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age.

Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit, where average compensation is computed as the average of the member's highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**4. PENSION AND RETIREMENT PLAN – CONTINUED**

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program ("DROP").

DROP is available for members of the FRS Pension Plan who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to five years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Participating employees contribute 3% of their gross salaries each pay period to the plan. Participating employer contributions are based upon state-wide rates established by the State of Florida. Average contribution rates for the fiscal year ended September 30, 2021, were as follows: regular employees – 10.21%, special risk employees – 24.81%, elected officials – 49.74%, senior management employees – 27.72% and DROP participants – 17.32%. The Tax Collector's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively mandated contribution rates. Contributions to both plans totaled \$339,879, \$278,592 and \$237,683 for the years ended September 30, 2021, 2020 and 2019, respectively.

**Net Pension Liability-Proportionate Share**

The Tax Collector has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the General Fund. All required disclosures and schedules may be found in the comprehensive annual financial report of Santa Rosa County, Florida.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**5. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN**

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Tax Collector’s Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board’s financial statements. However, these retirees are receiving an “implicit subsidy” because the premium is a group rate, which includes active, lower cost employees. This implicit subsidy, however, has a cost. This annual cost and the total OPEB liability are measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole, and not separately for the Tax Collector’s Office. Accordingly, these calculations and disclosures can be found in the County’s comprehensive annual financial report.

**6. LEASES**

The Tax Collector leases certain office space and equipment under operating lease agreements with expiration dates through February 2026. Future minimum rental commitments under these leases are as follows:

Fiscal year end September 30:

2022	\$ 31,440
2023	31,440
2024	31,440
2025	31,440
2026	<u>13,100</u>
Total minimum future rental payments	<u><u>\$ 138,860</u></u>

Total lease payments for the year ended September 30, 2021 were \$30,340.

**7. RISK MANAGEMENT**

The Tax Collector is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Board has established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.



**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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**7. RISK MANAGEMENT – CONTINUED**

Under this program the County is self-insured with respect to the following exposures:

- Workers' compensation
- Auto physical damage
- Auto Liability
- Construction and road equipment
- Portable communication equipment

The County is covered by outside insurance for the following exposures:

- Buildings and contents, \$5,000 deductible
- Boats
- Employee fidelity
- General liability, \$25,000 deductible
- Public officials' liability, \$25,000 deductible

Conventional insurance remains in effect for buildings and their contents. There also were no significant reductions in insurance coverage from the prior year and settled claims resulting from conventional insurance risks have not exceeded coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage. The Tax Collector participates in the program and makes payments to the Self-Insurance Fund based on historical estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses.

**8. LITIGATION**

The Tax Collector is contingently liable with respect to lawsuits and other claims, which might be filed incidental to the ordinary course of operations. In the opinion of management, based on the advice of legal counsel, there are no lawsuits or claims outstanding, which will have a material adverse effect on the financial position of the Tax Collector's Office.

**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**

**SANTA ROSA COUNTY, FLORIDA TAX COLLECTOR  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL –  
GENERAL FUND (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>				
Charges for services	\$ 4,784,818	\$ 4,784,818	\$ 5,038,741	\$ 253,923
Miscellaneous	36,621	36,621	19,863	(16,758)
Total revenues	4,821,439	4,821,439	5,058,604	237,165
<b>EXPENDITURES</b>				
Current:				
General government:				
Personal services	3,861,328	3,894,590	3,853,589	41,001
Operating	815,842	826,682	819,179	7,503
Capital outlay	42,165	31,325	31,324	1
Total expenditures	4,719,335	4,752,597	4,704,092	48,505
Excess of revenues over expenditures	102,104	68,842	354,512	285,670
<b>OTHER FINANCING SOURCES (USES)</b>				
Unspent revenues	(102,104)	(68,842)	(354,512)	(285,670)
Total other financing sources (uses)	(102,104)	(68,842)	(354,512)	(285,670)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	-	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	\$ -	\$ -	\$ -	\$ -

See independent auditors' notes to the required supplementary information.

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2021**

---

**Budgets and Budgetary Accounting**

The Tax Collector establishes an annual budget pursuant to Section 195.087, Florida Statutes. The budget is submitted to the Florida Department of Revenue for approval. A copy is provided to the Board and is incorporated into the overall county budget. The Tax Collector's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is the fund level.

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

Honorable Stan Colie Nichols  
Tax Collector of Santa Rosa County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements (hereinafter referred to as "financial statements") of the general fund and the tax fund of the Tax Collector of Santa Rosa County, Florida (hereinafter referred to as "Tax Collector"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements, and have issued our report thereon dated March 8, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Tax Collector's internal control over financial reporting (internal control) 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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Tax Collector'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.

*Warren Averett, LLC*

Pensacola, Florida  
March 8, 2022

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF COMPLIANCE  
REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Stan Colie Nichols  
Tax Collector of Santa Rosa County, Florida

We have examined the Office of the Tax Collector of Santa Rosa County, Florida's (hereinafter referred to as "Tax Collector") compliance with Florida Statute 218.415, in regard to investments for the year ended September 30, 2021. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

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

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

*Warren Averett, LLC*

Pensacola, Florida  
March 8, 2022

## MANAGEMENT LETTER

Honorable Stan Colie Nichols  
Tax Collector of Santa Rosa County, Florida

### Report on the Financial Statements

We have audited the financial statements (hereinafter referred to as “financial statements”) of the general fund and the tax fund of the Office of the Tax Collector of Santa Rosa County, Florida (hereinafter referred to as “Tax Collector”), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated March 8, 2022.

### 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 Florida Auditor General*.

### Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants’ Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 8, 2022, 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 corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding audit report.

### Financial Management

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

### Additional Matters

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



**Purpose of this Letter**

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

*Warren Averett, LLC*

Pensacola, Florida

March 8, 2022

**SANTA ROSA COUNTY, FLORIDA  
TAX COLLECTOR  
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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There were no comments which require management's written response.



# SANTA ROSA COUNTY FLORIDA

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