



Checks & Balances

Your Guide to County Finances | Wakulla County, Florida

Message from Clerk Thurmond



Brent X. Thurmond, CPA
Clerk of Court
Wakulla County

Clerk of Court Brent X. Thurmond, CPA, has been a certified public accountant since 1984. Elected to office in 1996, Clerk Thurmond has served the citizens of Wakulla County for 24 years and one of his top priorities has been strong fiscal oversight of County finances.

Dear Wakulla Residents,

As your independently elected Clerk of Court for Wakulla County, my responsibilities include serving as the County's Chief Financial Officer, Auditor and Treasurer. I am committed to examining how your tax dollars are spent, educating the public about County financial matters and promoting transparency and accountability in County government.

Annually, my office's team of skilled financial professionals reviews an array of data that measure the financial strength of Wakulla County government. In addition to examining how much of your tax dollars is collected and spent (see *County Government Revenue* and *Where Your Money Goes*), our team evaluates other important metrics that affect our County's fiscal well-being, such as housing prices and employment rates (see *Your Community*).

Check & Balances: Your Guide to County Finances provides highlights of the County budget, information about your property taxes and County demographics. For a more in depth view of County finances, please review our *Annual Financial Report*, which serves as the basis for much of the information you'll find in this edition of *Check & Balances*.

It is my honor and privilege to serve as your Clerk of Court. Thank you for reading the Fiscal Year 2019 version of *Checks & Balances*, our 17th edition of this publication, and for taking an interest in how your tax dollars are spent.

Best regards,

Brent X. Thurmond

Brent X. Thurmond, CPA

Constitutional Clerk of Court, Wakulla County

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About This Guide

Checks & Balances: Your Guide to County Finances is an essential tool to help you understand how public money is managed and spent in Wakulla County.

Most of the information in this report is derived from the County's Annual Financial Report (AFR) for the fiscal year that ended on September 30, 2019.

The AFR includes more than 200 pages of audited, detailed County financial statements, notes, schedules and reports, all of which, includes the audited financial information for each constitutional officer. The FY18/19 AFR is available at https://flauditor.gov/pages/county_efile%20pages/wakulla.htm

Checks & Balances: Your Guide to County Finances, which is also known as the Popular Annual Financial Report (PAFR), includes highly condensed and simplified information from the AFR, County Budget and other financial reports.



While the creation and publishing of this guide is a recommended practice of the Government Finance Officers Association (GFOA), the authority on best practices in governmental accounting and financial reporting, this guide is a summary and does not conform to generally accepted accounting principles and reporting requirements for governmental entities.



The Wakulla River south of Wakulla Springs State Park

About The Clerk of Court

The Clerk of Court's role was established in 1838 by the Florida Constitution as an independently elected officer and is charged with safeguarding your public records and public funds. In addition to the roles of the Clerk of the Circuit Court, County Recorder and Clerk of the Board of County Commissioners (BOCC), the Clerk has the following responsibilities:

- **Chief Financial Officer** – Monitor the County budget, revenue, debt and spending. Pay County bills, maintain financial records and produce required financial statements and reports.
- **Treasurer** – Manage County bank accounts and the investment portfolio to earn investment income on taxpayer funds.
- **Auditor** – Conduct independent risk-based and financial audits and audit all County expenditures. The office's accountability is ensured through regular, independent audits conducted by numerous state, local and judicial entities.

As the County's Chief Financial Officer, one of the most important duties of the Clerk is providing clear, concise and transparent information about County revenue and spending. We are honored that we are able to fulfill these obligations through the many reports prepared by our office, all of which, can be found on our website at <https://wakullaclerk.org/>. Here you will find the following annual BOCC reports:

- County Budget
- Revenue Monitoring Report

- Investment Report
- Debt Report
- Citizen's Popular Report (this guide)
- Financial Statements Audit
- County Funded Court Related Cost Audit
- Landfill Escrow Audit

Additionally, you will find the following annual Clerk reports:

- Clerk Budget
- Financial Statements Audit
- Child Support Grant Audit
- Child Support Indirect Cost Rate Audit
- Various state audits of the Clerk's Office
- Performance Measures Report



The St. Marks Lighthouse, St. Marks National Wildlife Refuge, St. Marks, Florida

Your County Government



County Government

Wakulla County, Florida, established in 1843, is a political subdivision of the State pursuant to Article VIII, Section 1(a) of the Constitution of the State of Florida. The County is a Chartered County pursuant to Article III, Section 1(c) and (g) of the State's Constitution. The County is governed by a five member Board of County Commissioners (Article VIII, Section 1(e)). These five commissioners act as a local legislative and executive body, setting public policy, levying taxes and funding projects, programs and the operations for more than 20 County departments. An appointed County Administrator manages the activities of these departments and carries out the policies and decisions made and approved by the Commissioners.



Budget Process

The County must prepare an annual budget authorizing the spending of public money, which comes from a variety of sources but primarily from your property taxes and federal and state grant funds. State law requires the County to have a balanced budget that can only be amended throughout the year with BOCC approval at public board meetings. The fiscal year for the budget begins on October 1 and ends on September 30.



The Sopchoppy Train Depot, The GF&A Railroad



Constitutional Checks & Balances

Pursuant to the State's Constitution, Article VIII, Section 1(d) voters also elect five independent constitutional officers who are a check and balance on the BOCC. They are the Clerk of Court, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector.

The framers of the Florida Constitution intentionally made these countywide offices separate and independent from the rest of County government to ensure that the entity that decides how to spend your tax dollars (the BOCC) is not the same entity that audits and pays the County bills (Clerk of Court), assesses your property's taxable value (Property Appraiser), collects your taxes (Tax Collector), protects its citizens (Sheriff) or oversees the election process (Supervisor of Elections).

Wakulla County 2018-2019 Major Initiatives

The County spent \$21,575,811 in capital expenditures. This included the acquisition of land and equipment and the construction of buildings and infrastructure systems. The primary funding sources included the 1 Cent Sales Tax, Grant dollars and USDA loan proceeds.



Public Safety - \$3,641,744

- Crawfordville Fire & EMS Trice Lane Facility
- Emergency & Sheriff Vehicles



Infrastructure - \$610,068

- Public Works
- Parks & Recreation



Health - \$15,427,556

- Medart Lift Station Bypass
- Sewer expansion of Magnolia Gardens and Wakulla Gardens



Transportation - \$1,282,368

- Local Road Paving

Your Community continued...

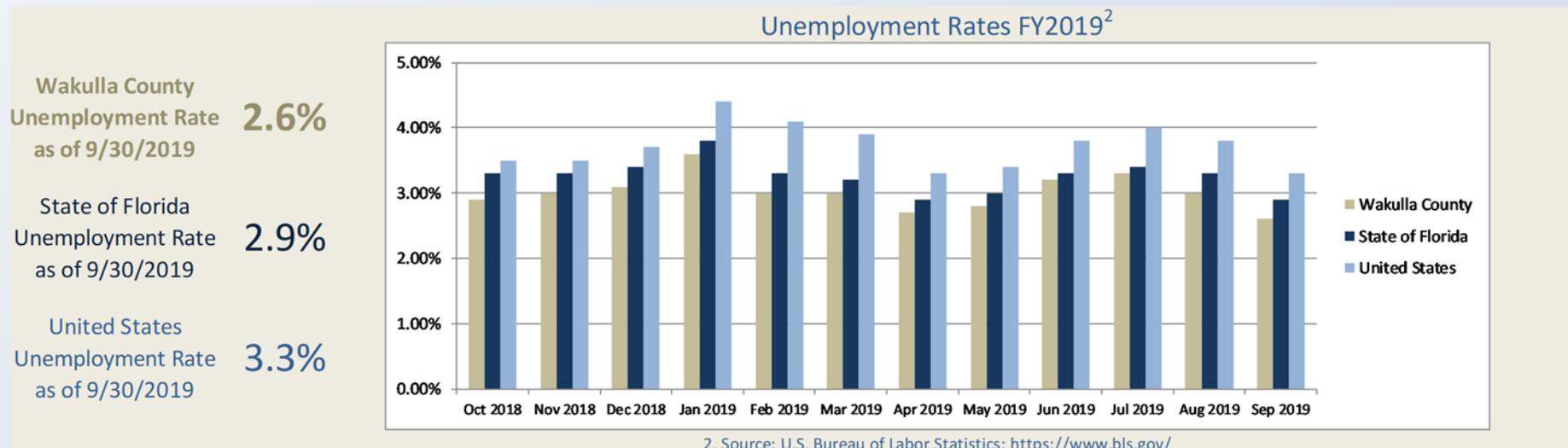
Wakulla County's Top Five Tax Payers for 2019¹

1. Duke Energy.....	\$842,779
2. St. Mark's Powder.....	\$487,982
3. Talquin Electric.....	\$265,468
4. CSG Systems	\$178,278
5. Walmart	\$140,734

1. Source: Wakulla County Tax Collector

% of Taxes Paid by Top 5

23.3%



Wakulla County's Top Employment Sectors³

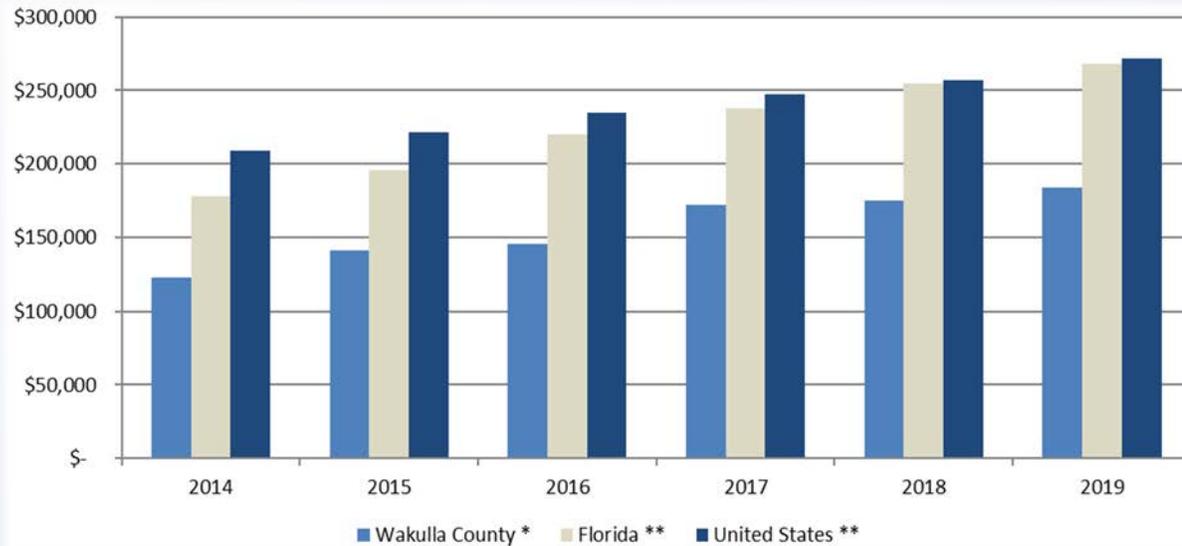
1. Public Administration (18%).....	2,551
2. Retail (15%)	2,126
3. Accomodation & Food Service (12%).....	1,701
4. Manufacturing (10%)	1,417
5. Construction (6%)	850
6. Other (39%).....	5,527

1. Source: www.wakullaedc.com



Your Community continued...

Median Home Sale Price Comparison⁴



Wakulla County's real estate market continues to recover, a trend that began in 2015. Wakulla's median home sales has averaged an 9.5% increase while Florida's average is 8.0% and the United States is 5.3%.

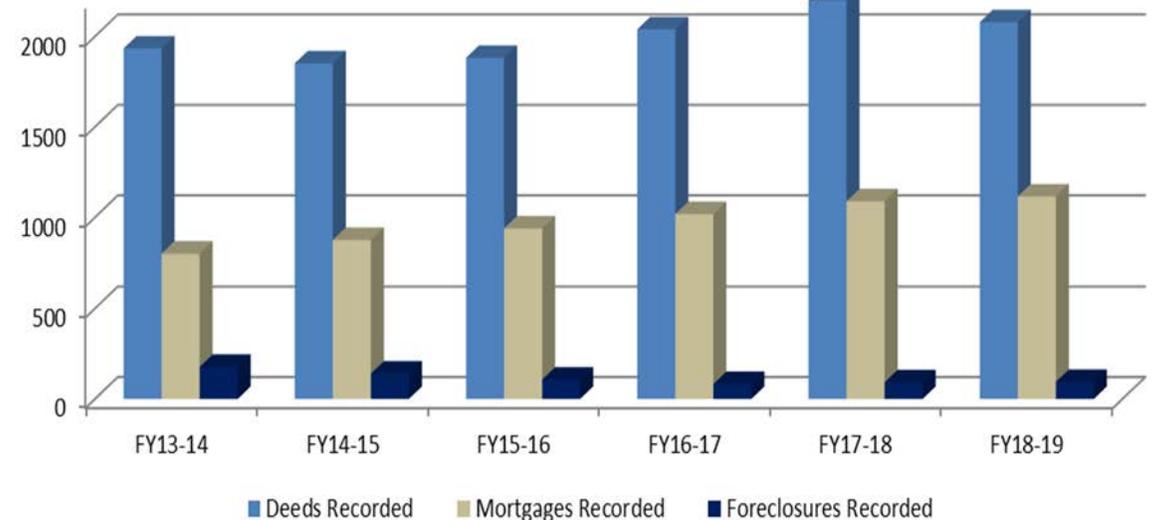
4. Sources:

* www.zillow.com- 2019; www.floridarealtors.org- 2014-2018

** <http://edr.state.fl.us>

Another important metric for measuring the health of the economy in the County is the number of mortgages and deeds recorded. Since 2014, the number of mortgages and deeds recorded each year has remained relatively stable with an upward trend of 4.15% each year on average. Meanwhile, the number of foreclosure cases filed in the County (Residential and Commercial) has fallen 46.9% percent since 2014.

Mortgages and Deeds Recorded⁵



5. Source: Wakulla Clerk of Court

County Government Revenue

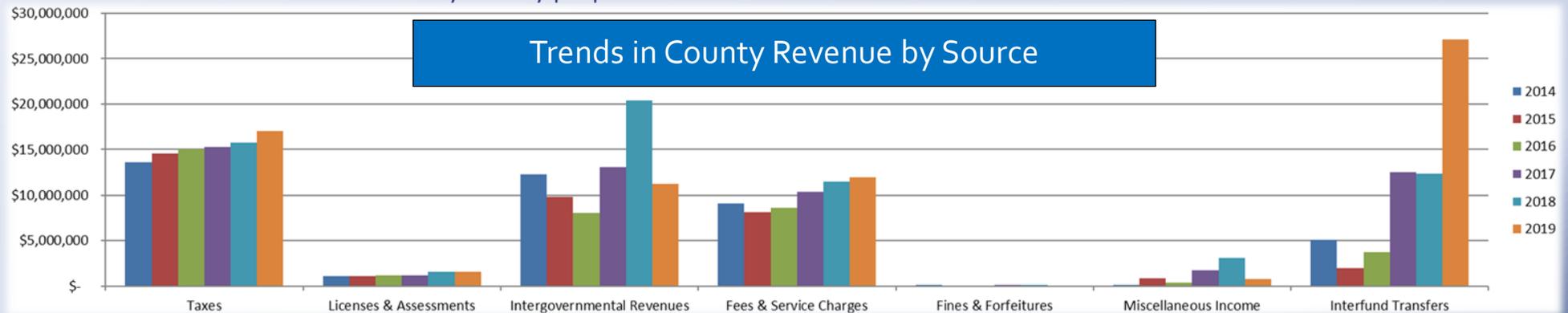
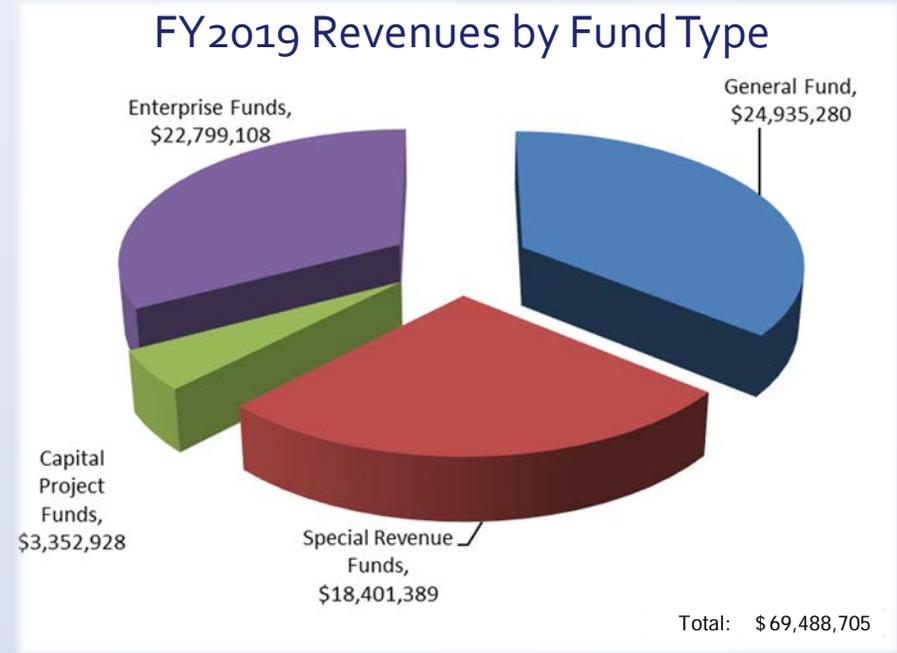
Funding for the services County government provides comes from seven sources including 1) taxes: \$17,011,115, 2) licenses and special assessments: \$1,611,741, 3) intergovernmental revenues: \$11,258,678, 4) fees and service charges: \$11,995,589, 5) fines and forfeitures: \$82,750, 6) miscellaneous income: \$769,183 and 7) interfund transfers: \$26,759,649.

County revenues are segregated into four fund categories including 1) the general fund: \$24,935,280, 2) special revenue funds: \$18,401,389, 3) capital project funds: \$3,352,928, and 4) enterprise funds: \$22,799,108.

Additionally, County revenues are reported in two categories:

1) governmental activities (general fund, special revenue funds, and capital project funds) and 2) enterprise activities (enterprise funds) comprised of the sewer fund, the water fund and the solid waste fund.

The County also collects revenues on behalf of other entities and those revenues are recorded in fiduciary funds. Those revenues are not included in this report since those revenues are restricted and cannot be used for any County purpose.



County Government Revenue continued...

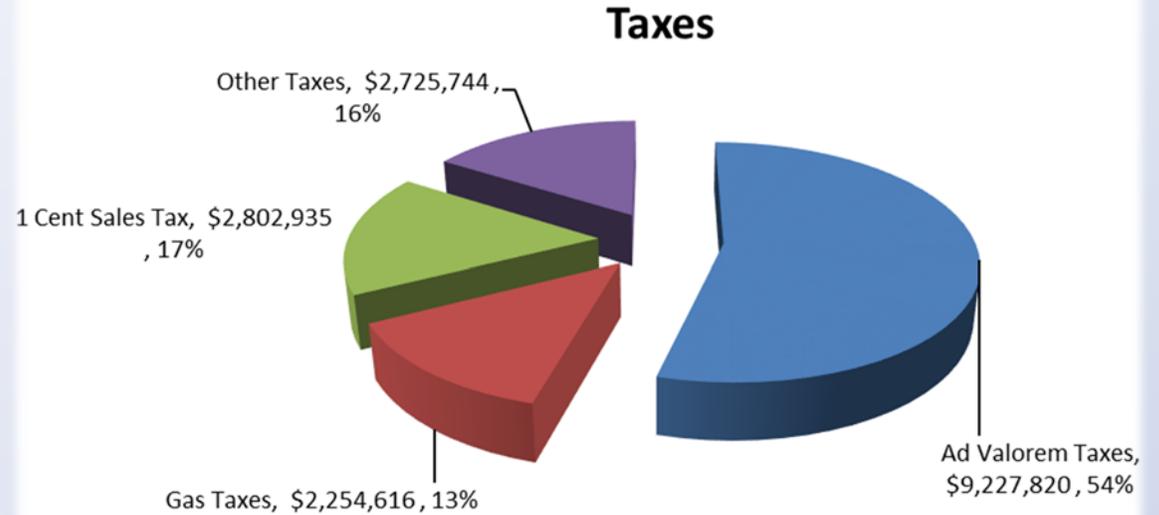
1. Taxes - Taxes are primarily comprised of ad valorem taxes (real and personal property taxes), gas taxes, one cent sales tax and other taxes such as public service tax, tourist development tax and communication services tax. \$17,011,115 (24.3% of total revenue) was collected in taxes in FY2019.

Ad Valorem Taxes	\$	9,227,820
Gas Taxes	\$	2,254,616
1 Cent Sales Tax	\$	2,802,935
Other Taxes	\$	2,725,744
Total	\$	17,011,115

Property Taxes

The Board of County Commissioners (BOCC) and other taxing authorities (Wakulla County School Board and Northwest Florida Water Management District) each set a property tax rate, called a “millage rate”, which is used to calculate your overall property taxes.

A “mill” is equal to \$1 of tax for every \$1,000 of assessed property value. As shown in the taxing cycle chart to the right, the funding of the County each year starts with an assessment of your property’s taxable value at the beginning of the calendar year by the Property Appraiser’s Office.



January

The Property Appraiser determines market value and exemption eligibility, which is used to calculate your property’s taxable value.

A notice of proposed taxes or “Truth in Millage” (TRIM) notice is mailed to all taxpayers. Taxpayers may challenge the assessment value by petitioning the Value Adjustment Board (VAB).

The Tax Collector mails the tax bill to property owners and the tax collection process begins.

The Tax Collector collects the property taxes and distributes the collections to the tax entities. For the County, the Clerk receives these funds and invests them until they are needed to pay bills.

July

Based on how much money is needed to cover expenses, the BOCC and other taxing entities set tentative millage rates, which are used to calculate property taxes.

August

September

The BOCC hold two public meetings to allow the public to discuss the proposed budget and millage rate prior to setting the final millage rate and approving the final budget.

November

November - March

County Government Revenue continued...

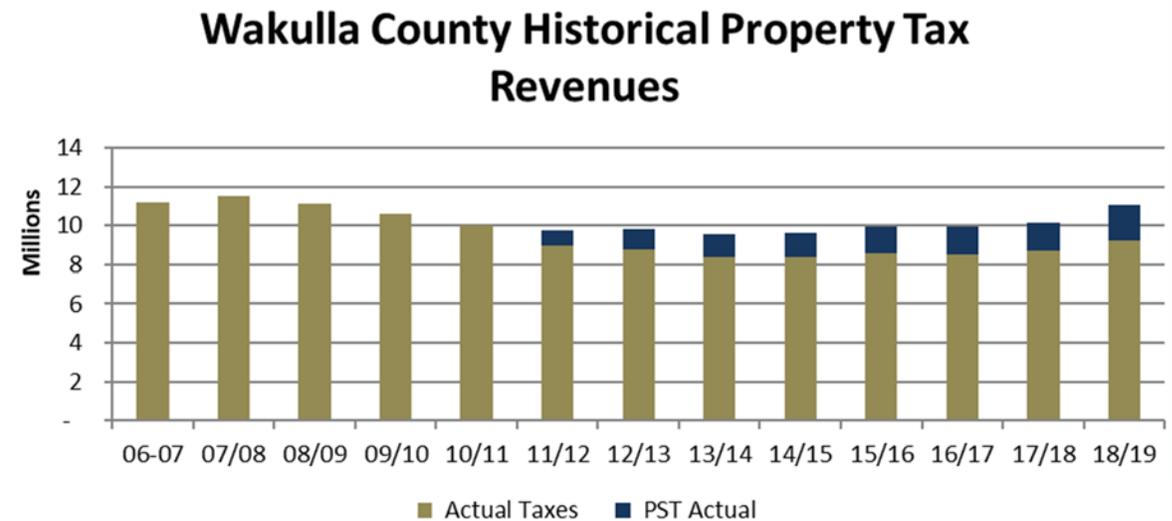
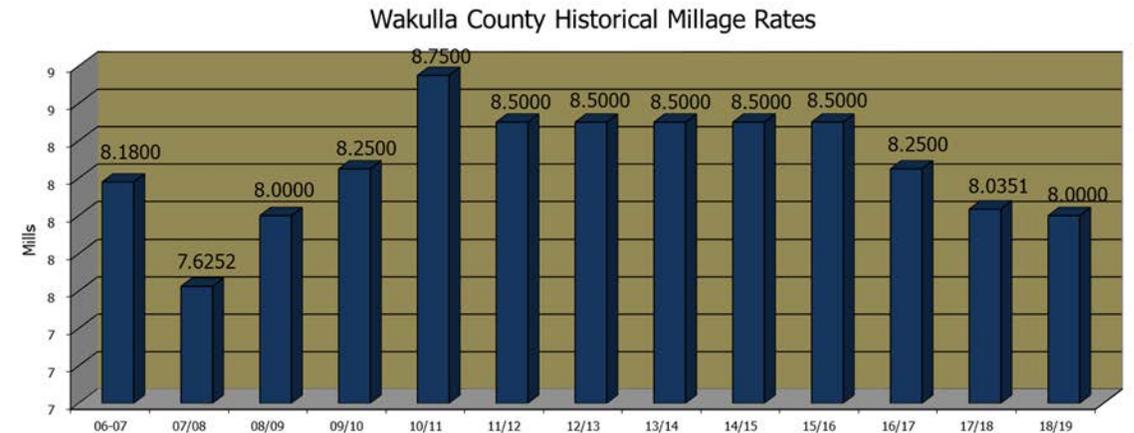
How Property Taxes Are Calculated: Your property taxes are calculated by this formula: [Assessed Value of Property – Exemption(s)] ÷ 1,000 x Total Millage Rates = Total Property Tax. For example, if your home is valued at 184,000 (the median home sale in Wakulla for FY2019) your property taxes for the County (doesn't include the School Board or the NWF Water Mgmt. District millage rates) would be: [184,000 – 50,000] ÷ 1,000 x 8.00 = \$1,072. There are other factors that may affect your property taxes such as the "Save Our Homes Act" which limits the increase in a property's taxable value to 3% or by the percent change in the Consumer Price Index (CPI), whichever is less, and the number of exemptions you may be eligible for.

Historical Millage Rates

In FY2019, the County lowered the millage rate to 8.00, which is .0351 lower than in FY2018. The approved millage was set at 8.00 to match the "roll back rate". The roll back rate is the millage rate that provides the same amount of property tax revenue as the prior year, excluding any new construction that would add value to the County's tax base in FY2019.

Historical Property Tax Revenues

In FY 2019 the County collected \$9,227,820 in property taxes. The chart to the right shows the property taxes collected since FY2007. In FY2012, the County imposed a public services tax to diversify the tax base after the economic recession that began in 2008. The chart includes the public services tax revenue for comparison purposes. As shown, in total, these revenues are at the same level as FY2009.



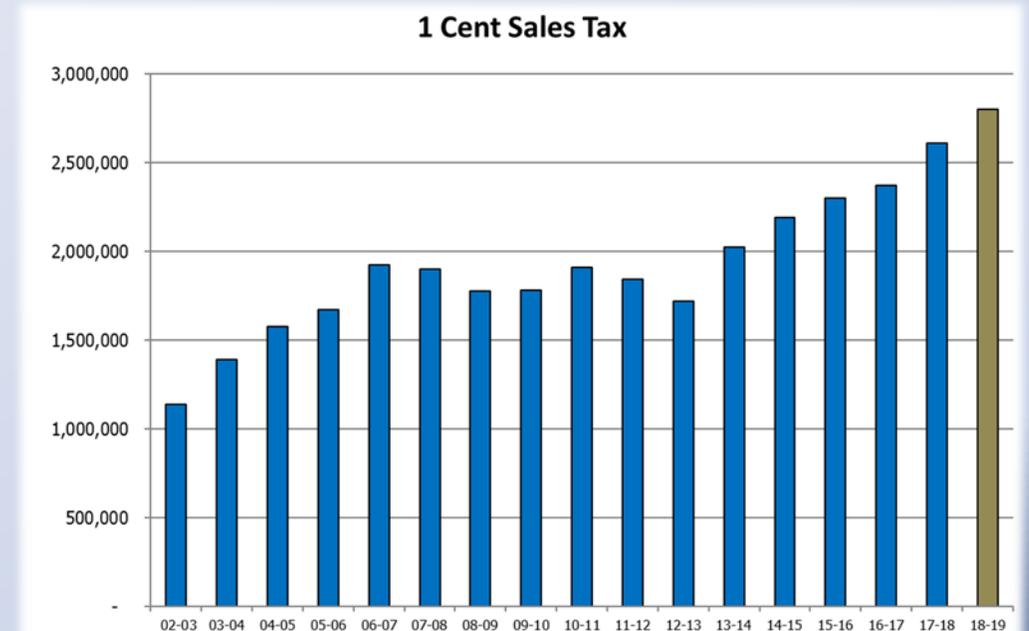
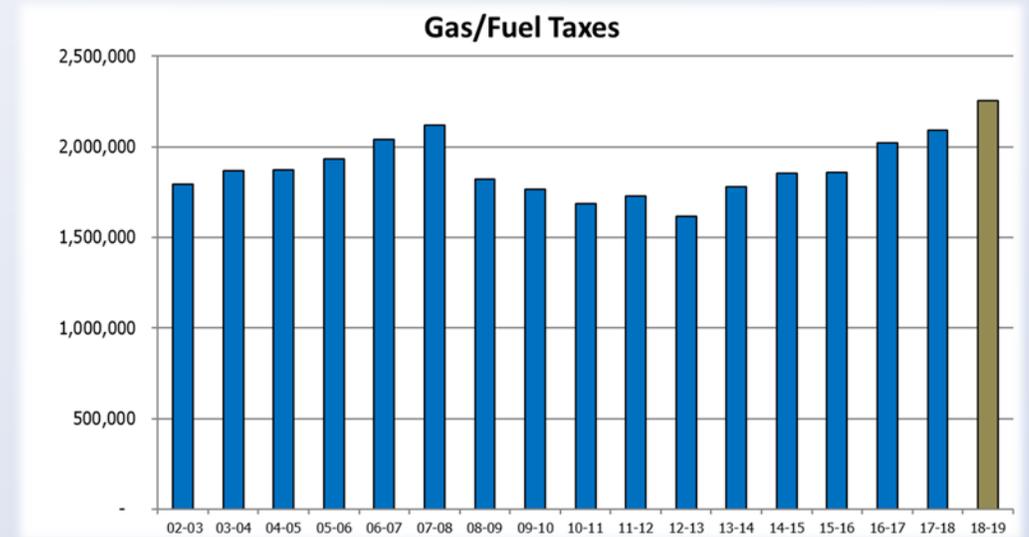
County Government Revenue continued...

Historical Gas Tax Revenues

The Road Department operates on 10 separate gas taxes that have been authorized by state statute or by local ordinance approved by the BOCC. This revenue source is the “flattest” revenue source a major County department operates on. By “flat”, we mean that these revenues do not grow year over year by very much and, often, the cost of expenses grows faster than the revenue stream.

Historical 1 Cent Sales Tax Revenues

Most of the capital purchases and infrastructure of the County are paid for by the 1 Cent Sales Tax if grants are not available. The 1 Cent Sales Tax is voter approved and began in 1987 for a period of 15 years, was renewed in 2002 for 15 years and again in 2017 for a period of 20 years. The sales tax is currently divided into four categories: 1) Public Road Infrastructure (45%), 2) Public Buildings & Infrastructure (23%), 3) Public Safety Infrastructure (22%), and 4) Public Parks & Recreation Infrastructure (10%).



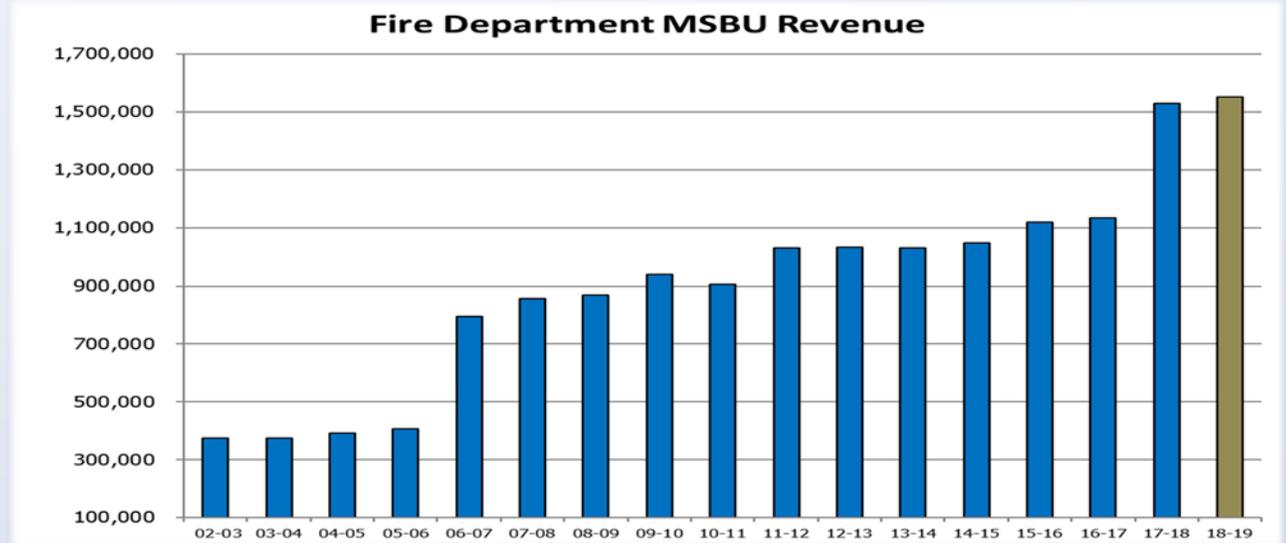
County Government Revenue continued...

2. Licenses & Assessments – Licenses and Assessments are comprised of occupational licenses and fire assessments. \$1,611,741 (2.3% of total revenue) was collected in licenses and assessments in FY2019.

Licenses	\$	59,515
Fire Assessments	\$	1,552,226
Total	\$	1,611,741

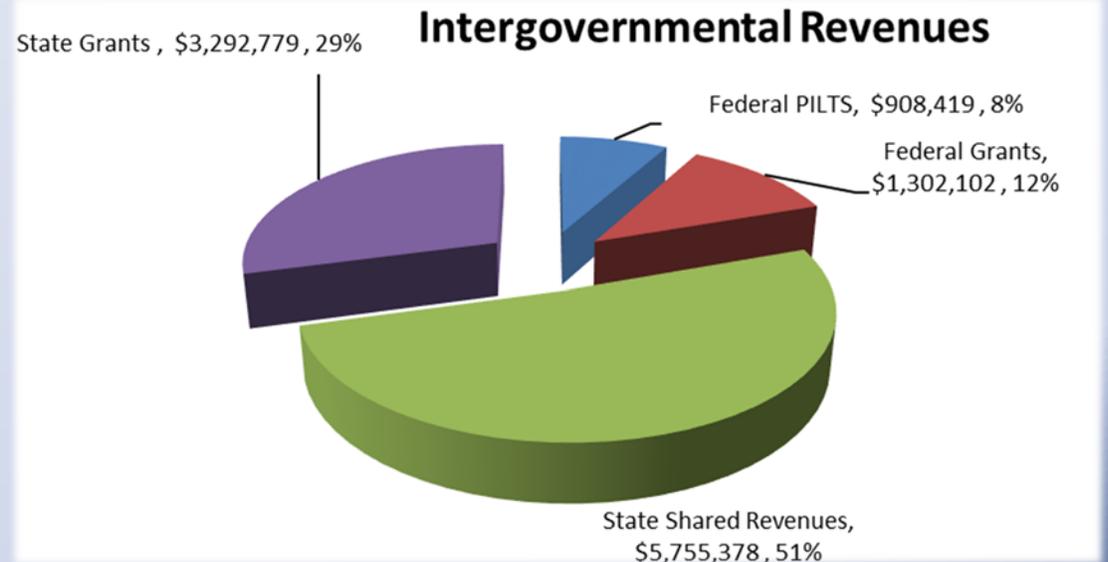
Historical Fire Assessments

The “Municipal Service Benefit Unit” (MSBU) Fire Assessment funds the County’s Fire Department operating budget. The capital budget of the Fire Department is funded by the Public Safety portion of the One Cent Sales Tax . In FY17/18 The BOCC increased the fire assessment rate from \$80 per year to \$99 per year, only the 4th increase in the assessment since its inception in FY2003, an average increase of \$4 per year.



3. Intergovernmental Revenues – Intergovernmental revenues are comprised of Federal payments in lieu of taxes (PILT), Federal grant revenue, State shared revenues (sales taxes) and State grant revenue. \$11,258,678 (16.1% of total revenue) was collected in intergovernmental revenue in FY2019.

Federal PILTS	\$	908,419
Federal Grants	\$	1,302,102
State Shared Revenue	\$	5,755,378
State Grants	\$	3,292,779
Total	\$	11,258,678



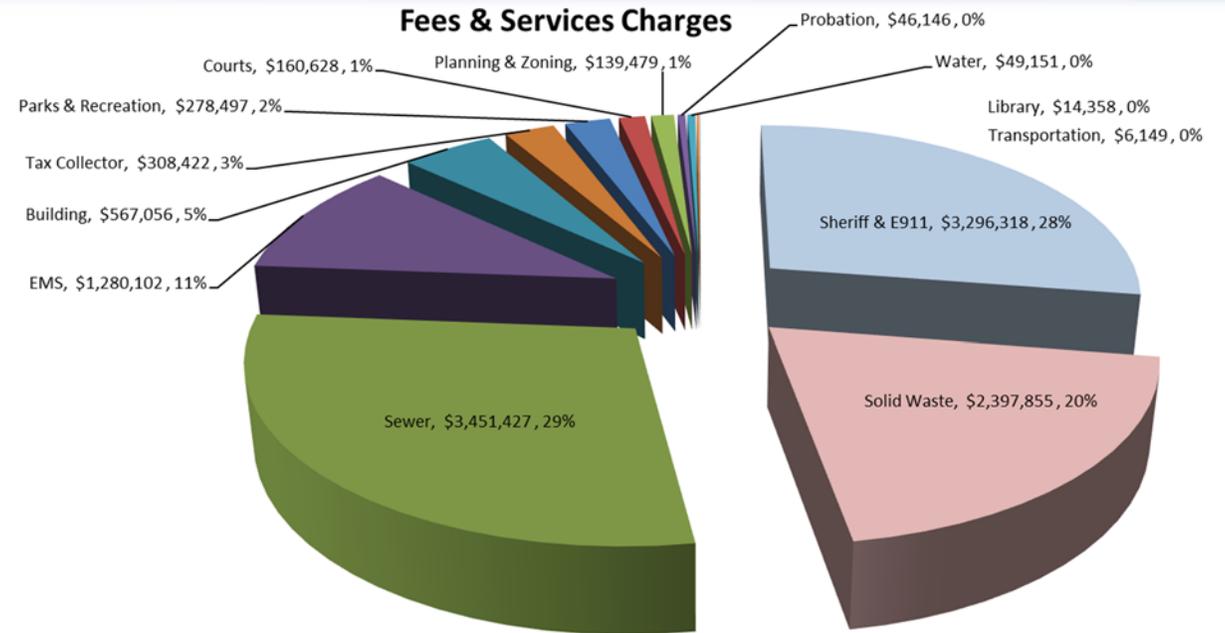
County Government Revenue continued...

4. Fees & Service Charges – The BOCC locally enacts fees and service charges that are charged to specific users of services by various County departments. \$11,995,589 (17.3% of total revenue) was collected in fees and service charges in FY2019.

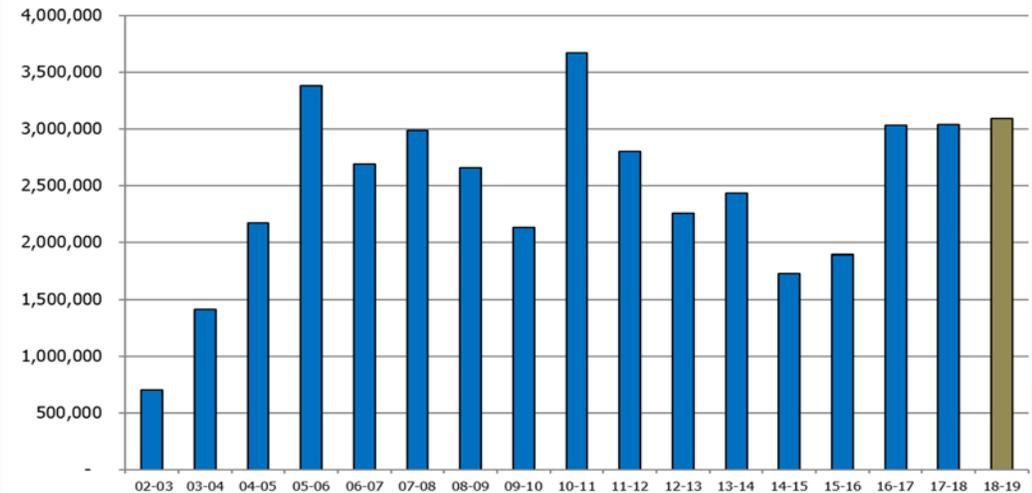
Sheriff & E911	\$ 3,296,319
Solid Waste	\$ 2,397,855
Sewer	\$ 3,451,427
EMS	\$ 1,280,102
Building	\$ 567,056
Tax Collector	\$ 308,422
Parks & Recreation	\$ 278,497
Courts	\$ 160,628
Planning & Zoning	\$ 139,479
Probation	\$ 46,146
Water	\$ 49,151
Library	\$ 14,358
Transportation	\$ 6,149
Total	\$ 11,995,589

Historical Fees & Service Charges

The Sheriff's Office houses inmates and detainees for the Federal Department of Immigration and Customs Enforcement (ICE), the State Department of Corrections (DOC) and sometimes the United States Marshals Service. The fluctuation in annual revenue is due to the varying number of individuals housed each year. These revenues are recorded in the Sheriff's Fund, help offset the costs incurred for providing this service and helps reduce ad valorem taxes.



Housing Prisoner Bed Fees

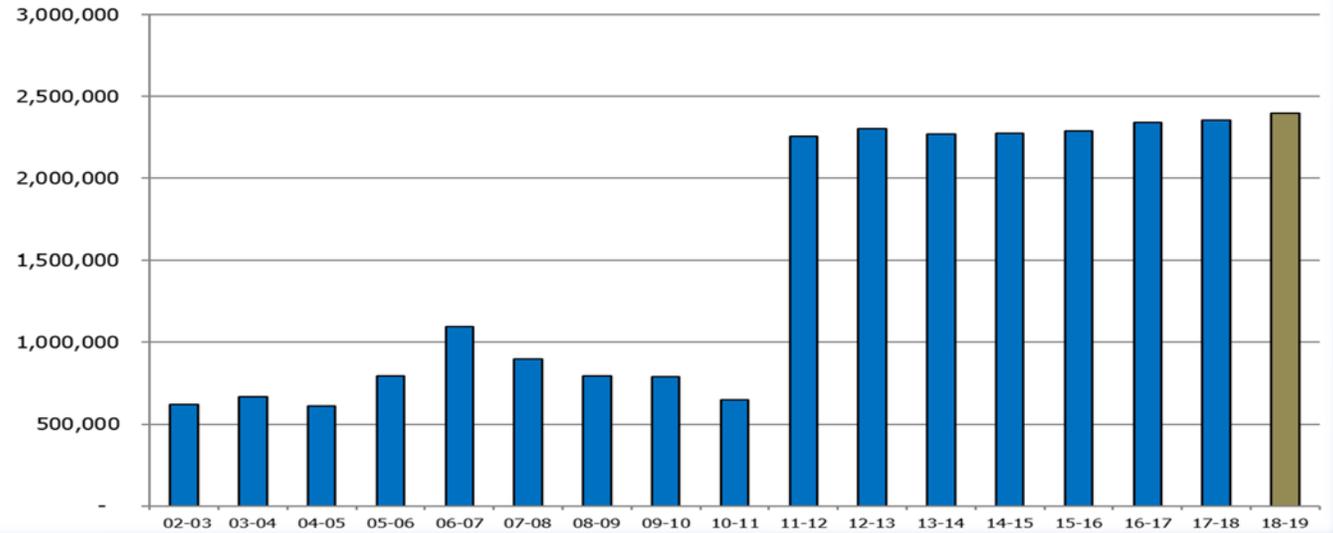


County Government Revenue continued...

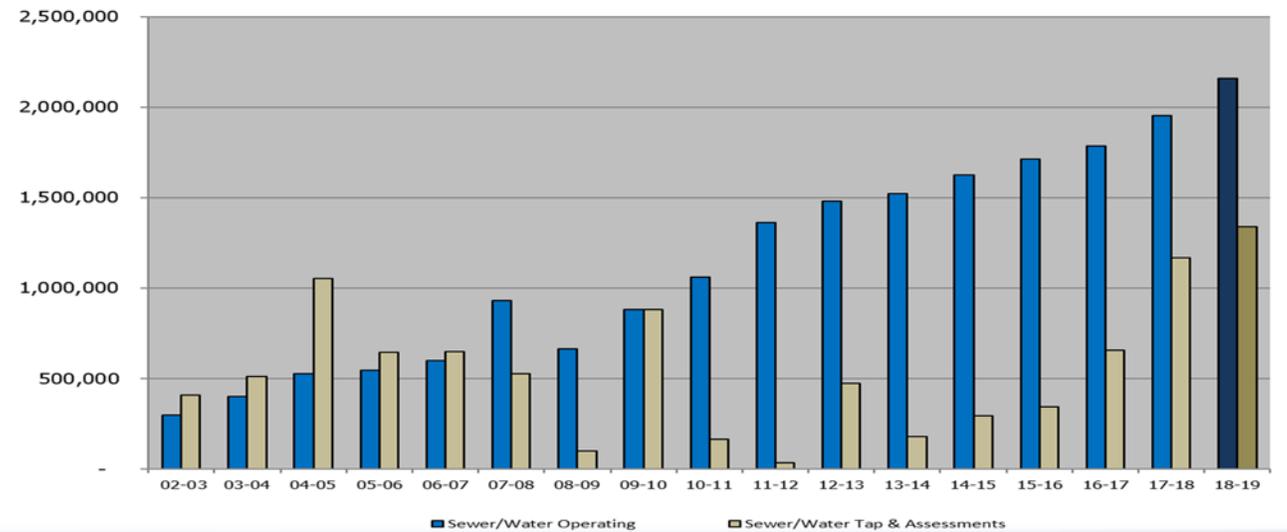
Historical Fees & Service Charges continued...

The County's Public Works Department is responsible for three areas: roads and bridges (see Gas Tax, pg. 10), sewer and water, and solid waste. The sewer, water and solid waste departments are funded with user fees. The Solid Waste fees are billed annually and are recorded in the Solid Waste Fund to pay for the annual contract with Waste Pro Inc. The sewer and water fees adjust each year based on the CPI, are billed monthly to users and are recorded in the Sewer Fund, these fees are used towards the contract with ESG Inc.

Solid Waste Disposal Fees



Sewer, Water & Access Fees



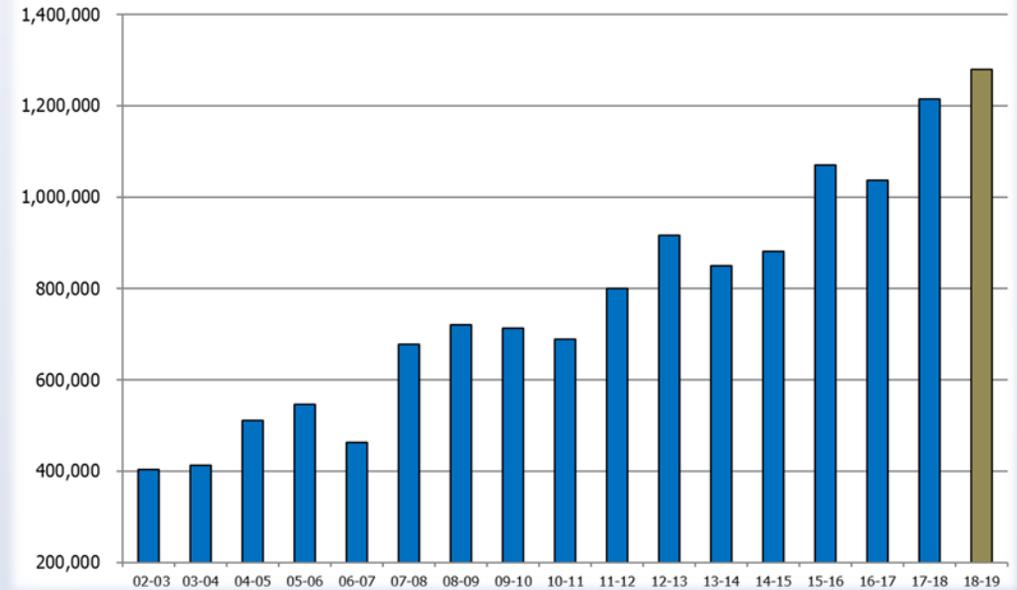
County Government Revenue continued...

Historical Fees & Service Charges continued...

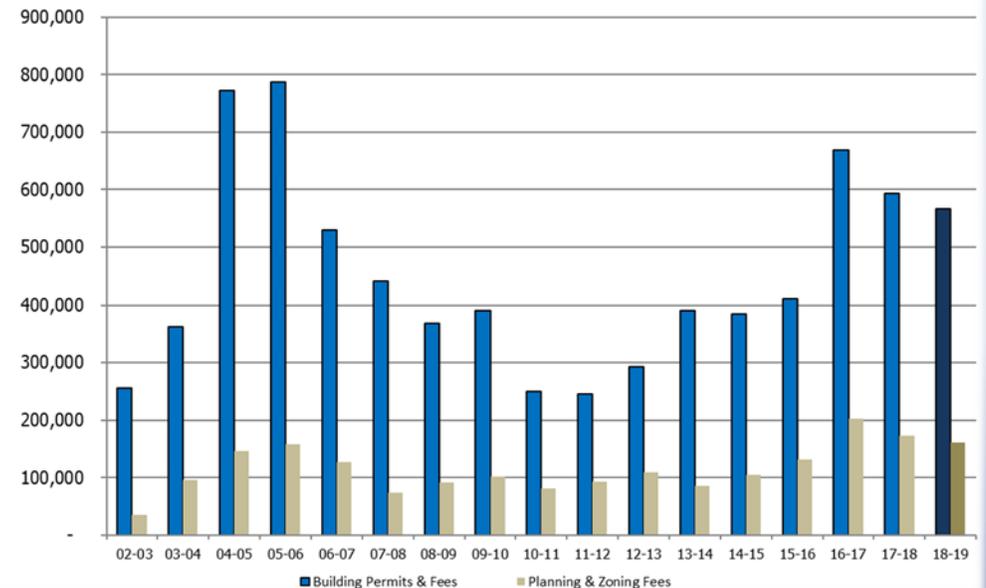
The Emergency Medical Service (EMS) Fees are billed to the users of the EMS Dept. The charges vary depending on the services provided and the amount collected may depend on the approved insurance billing rates and schedules. These revenues are recorded in the General Fund.

The Building Department and the Planning & Zoning Department both provide services to citizens related to building of homes and businesses and the development of property. Activity at these departments gives insight into the overall economic condition of the County. Despite both departments having either reduced or eliminated some fees and service charges over the last few years, the overall revenue has continued to grow. The revenue for the Building Department is recorded in the Building Fund while the Planning & Zoning revenue is recorded in the General Fund.

Emergency Medical Service Fees



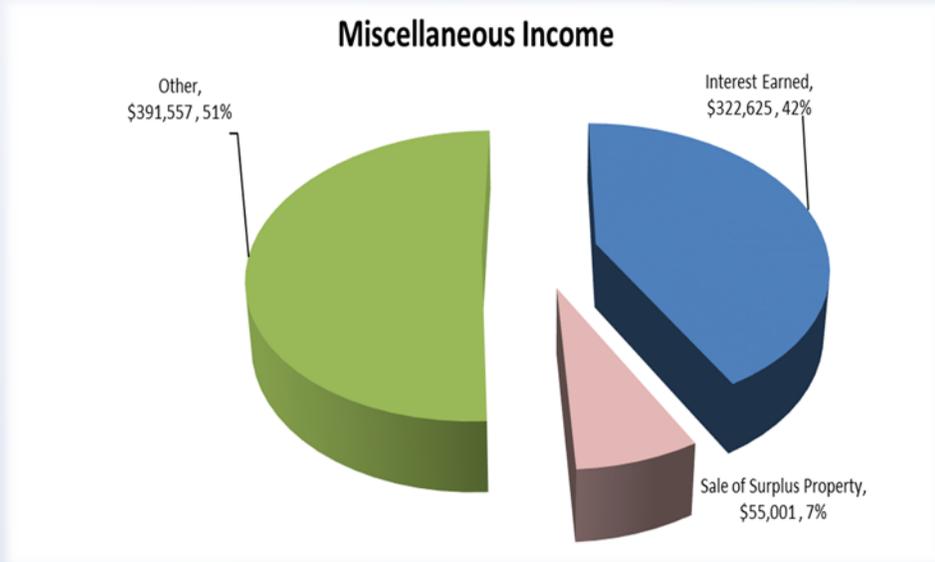
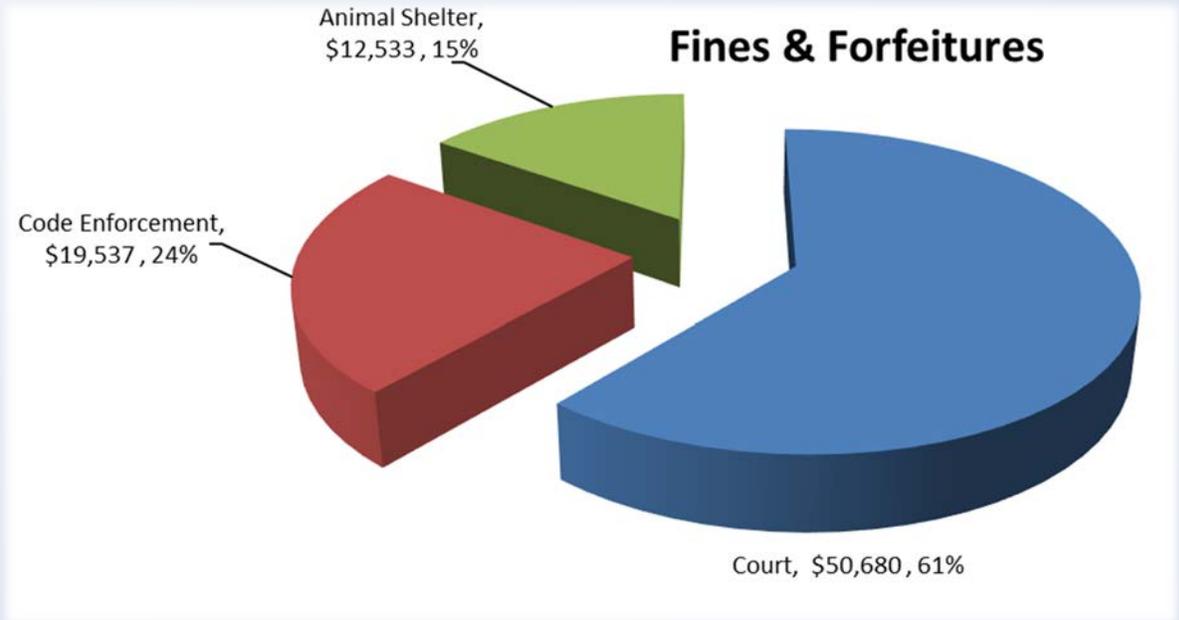
Building Permits & Planning & Zoning Fees



County Government Revenue continued...

5. Fines & Forfeitures – Fines and forfeitures are either statutorily mandated or enacted at the local level by the BOCC and are charged when a violation of law has occurred. \$82,750 (0.1% of total revenue) was collected in fines and forfeitures in FY2019.

Court	\$	50,680
Code Enforcement	\$	19,537
Animal Shelter	\$	12,533
Total	\$	82,750



6. Miscellaneous Income – Miscellaneous income includes interest earned on investments, loan proceeds, proceeds from the sales of surplus property and other contributions and donations. \$769,183 (1.1% of total revenue) was collected in miscellaneous income in FY2019.

Interest Earned	\$	322,625
Sale of Surplus Property	\$	55,001
Other	\$	391,557
Total	\$	769,183

7. Interfund Transfers – Interfund transfers are not actually revenue to the County. They are the movement of cash between funds generally because one fund is reimbursing another fund or the general fund is funding the five constitutional officers. Interfund transfers are approved in the budget. \$26,759,649 (38.5% of total revenue) was recorded as interfund transfers in FY2019. The interfund transfers increased over FY2018, \$12,401,273, due to the sewer expansion in Wakulla and Magnolia Gardens.

Budget at a Glance

By law, Wakulla County must create and approve a balanced budget giving the County legal authority to spend money on operations, services and projects. The budget represents the County's annual financial plan. The County's FY2019 budget totaled \$73,859,430 at adoption and increased to \$77,664,978 after 5 budget amendments were approved by the BOCC increasing the budget by \$3,805,548. This final budget authority of \$ 77,664,978 represents a decrease of \$1,475,693 compared to the FY2018 budget of \$79,140,671.

The budget process and calendar overlays the tax calendar shown on page 8. The budget process begins in January when the BOCC approves the budget calendar. A budget "kick-off" meeting is held in March with all County departments and constitutional officers and a preliminary workshop is held with the BOCC.

Preliminary budgets are prepared in March-April with all budgets due to the budget officer by May 1. The budget office reviews the budget requests and estimated revenues in May-June and a second budget workshop is held with the BOCC. The budget office officially submits the tentative budget to the BOCC in July and a third budget workshop is held in August. Two statutorily required public hearings are held in September when the millage rate and budget is adopted for the year that begins October 1.

As discussed on page 7, the County budgets for its revenues and expenses in funds. These funds are categorized into six types of funds with the County currently only using four types.



Fund Types

General Fund: Primary operating fund that pays for most services of the County from sources that are not restricted in their use.

Special Revenue Funds: Funds from sources such as grants, recreation and boating fees, housing prisoner fees, gas taxes, fire assessments, tourist development taxes and E911 fees which are restricted for specific purposes.

Debt Service Funds: Funds designated to pay the principal and interest on the County's long-term debt. The County does not currently use this fund type.

Capital Project Funds: Funds from sources such as grants, impact fees and 1 Cent Sales Tax which are restricted for major capital and infrastructure projects.

Enterprise Funds: Funds from sources such as user fees from revenue producing operations of the County such as sewer, water, and solid waste services. The intent of these funds is to make a profit.

Internal Service Funds: Funds from sources such as user fees from internal departments that pay for goods or services received from another County department such as fleet management. The County does not currently use this fund type.

Budgets By Department

Wakulla County, Florida

Actual Expenses and Budgets by Department by Fund Type

Wakulla County Departments	Dept Code	Total	General Fund		Special Revenue Funds		Capital Project Funds		Enterprise Funds	
		Actual	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Board of County Commissioners	0100	\$ 345,939	\$ 325,939	\$ 322,464			\$ 20,000	\$ 1,260,694		
County Administrator	0102	729,465	729,465	733,985						
Collections Department	0105	141,186	141,186	188,664						
Constitutional Officer Transfers	0200	11,997,337	11,997,337	12,047,337						
Clerk of Court	0200-CL	732,176	732,176	732,176						
Property Appraiser	0200-PA	1,158,737	1,158,737	1,158,737						
Supervisor of Elections	0200-SE	400,860	400,860	400,860						
Sheriff	0200-SH	12,391,260	1,769	2,500	11,980,006	12,186,821	409,485	473,504		
Tax Collector	0200-TC	865,954	865,954	865,954						
County Attorney	0202-CA	333,556	333,556	283,394						
General Administration	0202-GA	1,601,127	1,601,127	2,427,580						
Health & Human Services	0203	734,741	701,668	753,940	33,073	74,500				
Planning and Zoning	0300	406,995	406,995	419,595						
Court Maintenance	0400 & 0500	312,457			312,457	749,941				
Animal Services	0502	333,407	322,294	302,611			11,113	60,785		
E-911	0600	249,115			249,115	470,000				
Tourist Development	1000	273,689			273,689	420,000				
Wakulla County Airport	1100	2,726	2,726	3,650						
Housing Department	1200	205,807			205,807	681,000				
Disaster-Emergency Relief	1500	348,315			348,315	836,278				
Litter Control	1600	20,000							20,000	20,000
Library	1800	407,870	407,870	443,349						
Extension Department	1900	191,997	191,997	189,812						
Building Department	2100	653,523	653,523	791,920						
Facilities Management	2300	437,315	407,028	401,748			30,287	-		
Fleet Management	2400	171,496	171,496	203,325						
Probation Office	4000	123,646	123,646	126,566						
Veterans Service Office	5700	26,828	26,828	58,062						
Emergency Medical Services	6000	2,237,438	2,237,438	2,172,968	-	40,980	-	1,350,064		
Recreation Department	6300	606,886	410,841	372,791	89,288	89,975	106,757	101,811		
Parks Department	6900	813,512	425,391	338,395	54,999	310,700	333,123	555,000		
Road Department	7000	4,210,107			1,920,304	2,742,926	2,289,803	7,049,254		
Waste Water/Sewer Department	8000	16,884,720							16,884,720	16,114,339
Solid Waste Department	8500	2,276,661							2,276,661	3,026,136
Fire Services	8900	2,918,468			1,541,235	1,954,751	1,377,233	1,342,411		
Industrial Development Authority	9900	175			175	10,725				
Total		\$65,545,491	\$24,777,847	\$25,742,383	\$17,008,463	\$20,568,597	\$4,577,801	\$12,193,523	\$19,181,381	\$19,160,475
Percentage of Total			37.8%	33.1%	25.9%	26.5%	7.0%	15.7%	29.3%	24.7%

Total Actual Expenses \$ 65,545,491

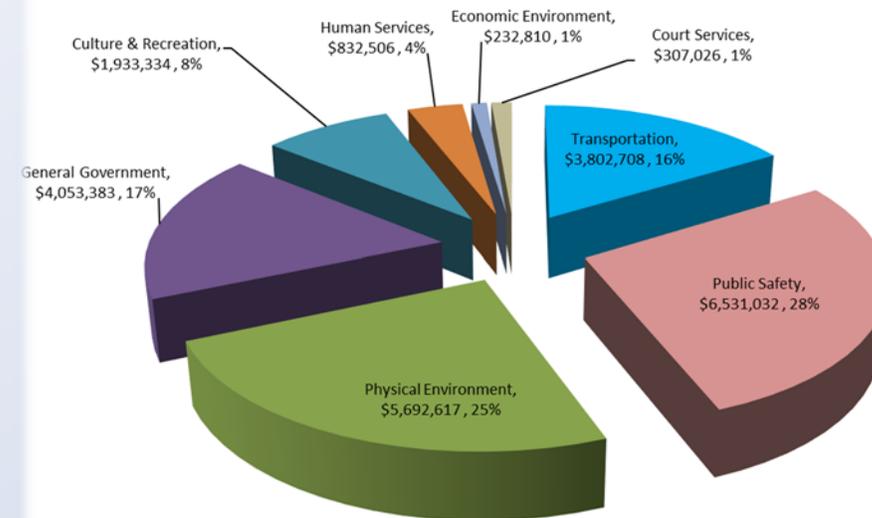
Total Budget \$ 77,664,978

Where Your Money Goes

Wakulla County provides a full range of services to its citizens. The County's expenses are categorized in a number of ways to provide management and financial report users with useful data. First, all expenses, like revenues, are divided into fund types as shown on page 16. Second, all expenses are divided into departments as shown on page 17. Third, all expenses are divided into "object codes" as required by the State's Uniform Chart of Accounts. These object codes are very detailed and include personnel services such as wages, taxes, retirement, and insurance, operating costs such as professional and contractual services, utilities such as telephone, electricity, sewer and water and fuel, office and operating supplies, travel and training costs, operating and capital purchases among many others. Finally, all County expenses are categorized by "expense group codes" that group all like expenses into eight categories as shown on this page.

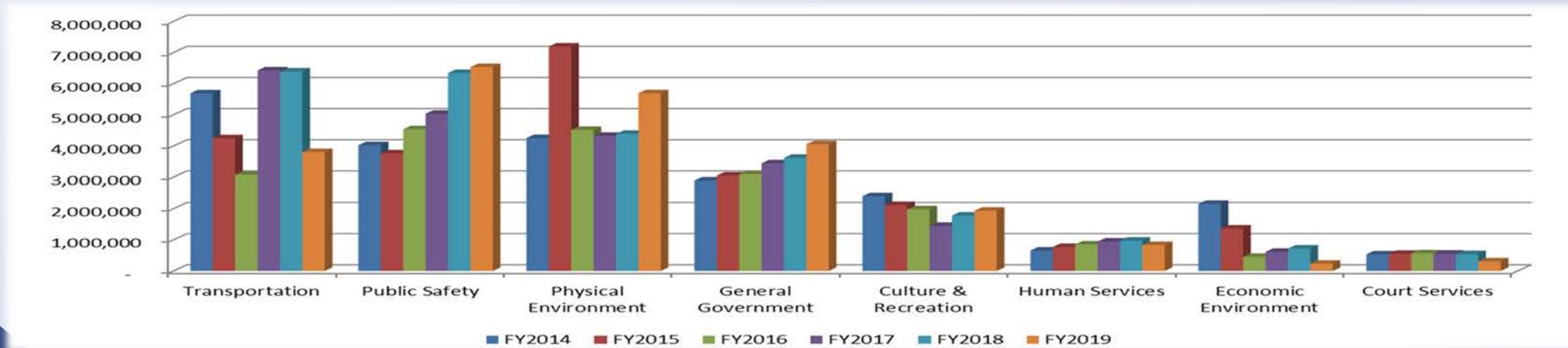
FY2019 Wakulla County Expenses

FY2019 Total Expenses \$23,385,415 (Net of Transfers⁶)



6 – Interfund Transfers have been removed since they create a "doubling effect" on total expenses.

Historical Expenses By Expense Group Code

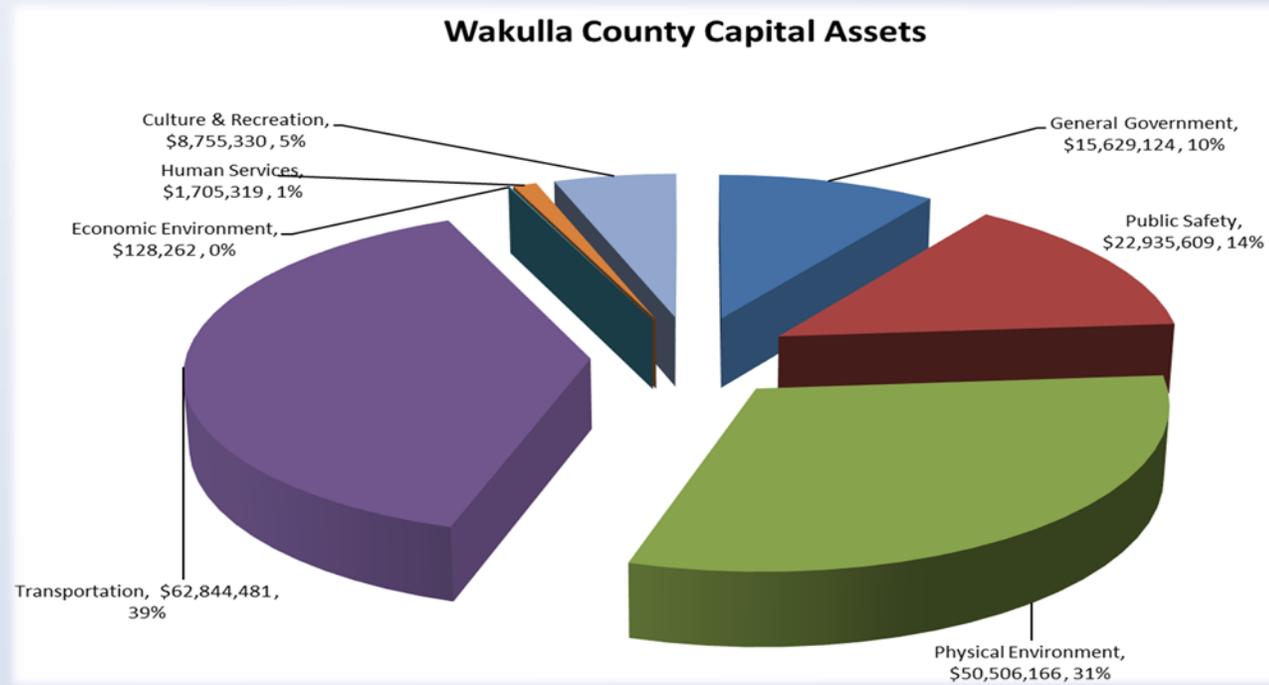


Capital Assets

The County's capital assets as of the end of FY2019 totaled \$103.65 Million (net of accumulated depreciation), an increase of \$3.91 Million from FY2018. Governmental activities records capital assets on the Statements of Revenues, Expenditures & Changes in Fund Balance (Income Statement) as an expense while Business activities records capital assets on the Balance Sheet as an asset. Governmental activities represents \$66.03 Million or 63.7% of Wakulla's total assets while the Business activities represents \$37.62 Million or 36.3% of Wakulla's total assets.

The FY2019 Highlights were:

- Construction was completed for the EMS/Fire Trice Lane Complex. Pole Barns were added to Medart Park. Building and parking lot improvements were completed for Public Works.
- Land was purchased on Whiddon Lake Road for road infrastructure, as well as several easements and rights-of-way around the county.
- Sewer infrastructure work was done for Wakulla Gardens, Magnolia Gardens, and Medart Lift Station.
- Equipment acquisitions included a new ambulance, several vehicles and heavy equipment.



	Total	Accumulated Depreciation	General Government	Public Safety	Physical Environment	Transportation	Economic Environment	Human Services	Culture & Recreation
Land	\$ 6,905,180	\$ -	\$ 3,506,001	\$ 3,381	\$ 706,527	\$ 441,540	\$ -	\$ -	\$ 2,247,731
Buildings	14,571,248	(15,145,232)	11,098,887	10,318,056	738,246	-	-	1,444,896	6,116,395
Equipment	3,749,942	(12,857,416)	1,024,236	9,832,361	1,170,083	3,800,789	128,262	260,423	391,204
Infrastructure	65,049,290	(30,850,398)	-	-	37,297,536	58,602,152	-	-	-
Construction in Process	13,375,585	-	-	2,781,811	10,593,774	-	-	-	-
	\$ 103,651,245	\$ (58,853,046)	\$ 15,629,124	\$ 22,935,609	\$ 50,506,166	\$ 62,844,481	\$ 128,262	\$ 1,705,319	\$ 8,755,330

Fund Balance & Cash Reserves

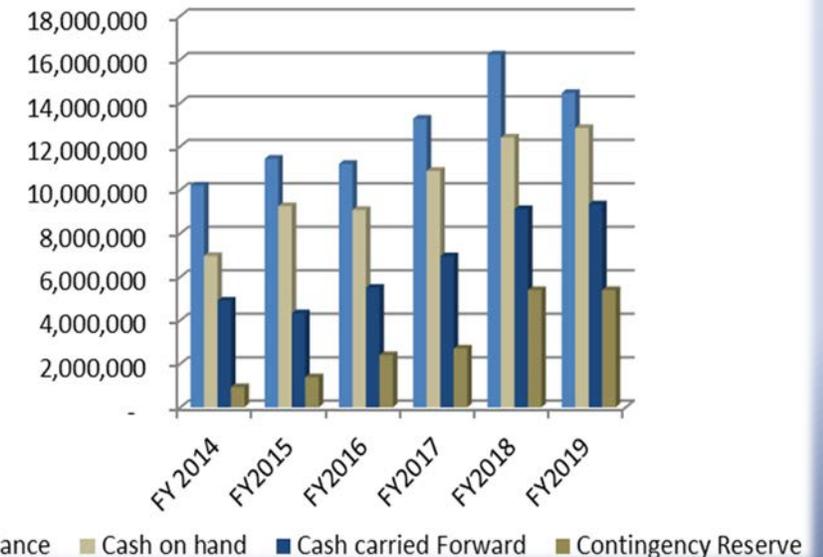
Wakulla County has a fund balance policy that requires each operating fund to maintain 25% to 33% (3 to 4 months) of excess revenue over expenses. For example, a fund with an operating budget of \$1,000,000 is expected to have \$250,000 to \$330,000 in fund balance or excess cash on hand. These reserves are used to pay for one time, non-recurring scheduled expenses, revenue shortfalls, or unanticipated expenses. Some or all of the fund balance may be budgeted or “carried forward” so that the County is prepared for these unforeseen events. In preparing each year’s budget, the County budget officer, in conjunction with the Finance Office, evaluates each fund’s fund balance, the scheduled capital expenditures, and the amount of cash available for these contingencies. Typically, the General Fund budgets cash reserves for unforeseen events such as a disaster. Special Revenue Funds may budget cash reserves for capital expenditures or unanticipated costs. Capital Project Funds and Enterprise Funds budget cash reserves for both capital expenditures and unanticipated costs. All funds that make debt service payments are also required to maintain an additional one year of debt service payments in fund balance.



The terms “fund balance”, “cash on hand”, “reserve”, “carry forward”, and “contingencies” can be very confusing. Below is a brief explanation of their relationship:

- Both fund balance and cash on hand are items found on the “balance sheet”. Cash on hand is a liquid asset (cash in the bank). Fund balance is the “equity” or total assets minus total liabilities. Cash on hand is generally the largest portion of fund balance.
- Both cash carry forward and contingency reserves are items found on the “income statement”. On the revenue side, the portion of cash on hand that is determined to be needed in the budget is cash carry forward. On the expense side, the portion of cash carry forward that is not planned on being spent is placed in the contingency reserve in the budget. This reserve can be used, if needed, in the event of an emergency.

Reserves by Type



County Investments

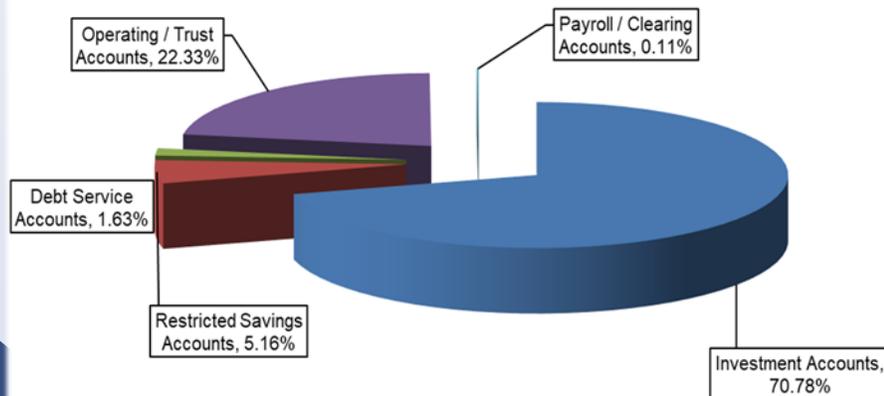
As the County treasurer, the Clerk of Court is responsible for investing the County's "surplus funds" until they are needed to pay expenses. The County's Investment Policy is Section 218.415 of the Florida Statutes. This policy limits the investment options of the County. Each year our office prepares an annual investment report providing an in depth analysis of the County's investments and investment income. Investment objectives are safety, liquidity and return, in that order. The Clerk's Office selects investments that fulfill those objectives in that order to reduce volatility, maintain diversification and preserve principal.

Almost 70.8% of the County's surplus cash or \$11.1 Million was invested in State authorized local government investment pools and local banks. 6.8% of the County's cash or 1.1 Million was restricted from investment in some fashion and 22.4% or 3.5 Million was in operating accounts to pay for ongoing expenses.

Comparative Distribution of Portfolio By Instrument Type

Account / Investment Type	FY 18/19		FY 17/18		Increase / (Decrease) over Prior Year	
Investment Accounts	70.78%	11,103,686	57.96%	8,883,210	12.82%	2,220,476
Restricted Savings Accounts	5.16%	808,941	15.54%	2,381,520	-10.38%	(1,572,579)
Debt Service Accounts	1.63%	254,965	1.65%	252,095	-0.02%	2,870
Operating / Trust Accounts	22.33%	3,502,520	24.71%	3,786,097	-2.38%	(283,577)
Payroll / Clearing Accounts	0.10%	16,685	0.14%	21,932	-0.04%	(5,247)
Total	100.00%	15,686,797	100.00%	15,324,854	0.00	361,943

Portfolio Composition by Investment Type as of September 30, 2019



During FY2019 the County's portfolio generated a total return of \$305,217, an increase of \$142,969 over the prior year. The average interest rate on the investments was 1.72% for the year.

Investment Income Comparison

Fiscal Year:	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Investment Income:	\$ 305,217	\$ 162,248	87,482	\$ 67,134
One time SBA final payout of interest	-	-	-	\$ -
	\$ 305,217	\$ 162,248	87,482	\$ 67,134
Increase (Decrease) over (under) prior year	\$ 142,969	\$ 74,766	20,348	

County Debt

Wakulla County borrows money or issues bonds to fund certain large projects or purchases. This allows the County to spread the cost of the project or purchase over a long period of time sharing the overall cost with both current and future taxpayers since both current and future taxpayers will benefit from the project or purchase. The County has a debt policy that outlines the procedures for incurring future debt and for monitoring and refunding debt issuances. The Clerk's Office prepares an annual debt report that provides more detailed specifics on the County's debt.

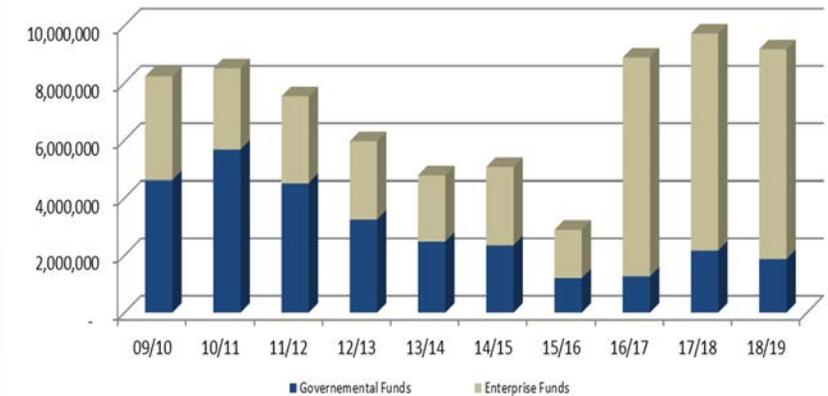
The County's total outstanding debt for FY2019 was \$9.2 Million, a decrease over the prior year of \$560,000. 20.4% or \$1.87 Million of the total debt is related to Governmental activities for motor grader equipment, the Courthouse renovations and the new EMS/Fire Facility. 79.6% or \$7.33 Million of the total debt is related to Business-type activities for the landfill closure and the wastewater treatment plant expansion.

The County borrowed \$1.3 Million in FY2018 for the EMS/Fire Facility, there was no new debt in FY2019.

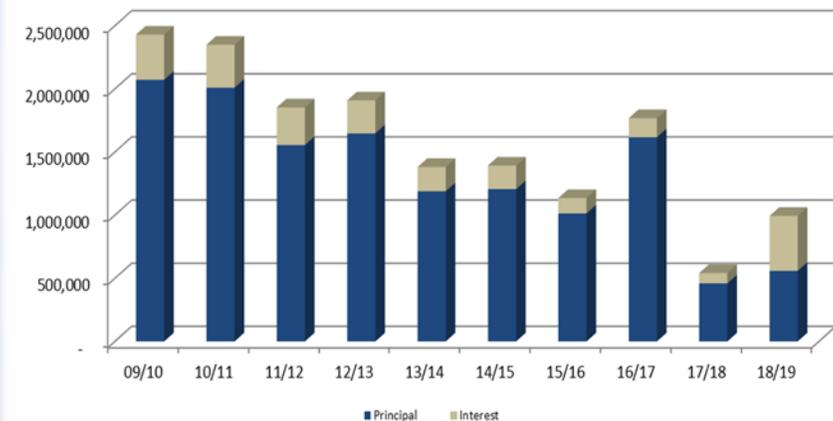
The County has a "Five Year Plan" for anticipated debt, however most of the capital improvements will be funded by grants and restricted cash. The County expects to potentially borrow funds for several projects, detailed below.

The County plans to acquire approximately seventy (70) self-contained breathing apparatus (SCBA) units for the Fire Department through a capital lease/purchase agreement. The units are estimated to cost approximately \$350,000. The lease/purchase will be repaid by One Cent Sales Tax Public Safety funds over four (4) years at an interest rate of 3.81%. As Crawfordville Highway is expanded, the County Administration Complex will need to relocate and a project of that size most likely will be financed. Other road-related capital equipment purchases may need financing. The County is planning on funding the new WWTP project, "Train #3", with funds associated with the Deepwater Horizon oil spill. Those funds must be applied for like grant funding. It is possible, depending on the availability and amount approved, that the County may need to borrow funds to supplement this project. No cost estimates are available at this time other than the approximate nine (9) million dollar cost of the recent "Train #2" project.

Wakulla County 10 Year Debt History



Wakulla County 10 Year Debt Service Payment History



What the County Owns & Owes

The following “Condensed Statement of Net Position” or balance sheet is a summary of everything the County owns (assets) and owes (liabilities). At the end of FY2019 the County’s net position totaled \$90.36 Million, an increase of \$2.12 Million over the prior year. The Governmental Activities’ net position decreased to \$57.19 Million or 63.3% of the total net position, a decrease of \$1.61 Million over the prior year. The Business-type Activities’ net position increased to \$33.17 Million or 37.7% of the total net position, an increase of \$3.73 Million over the prior year.

Net Position at a Glance

Net Position = Assets & Deferred Outflows – Liabilities & Deferred Inflows

Net Investment in Capital Assets: Investment in capital assets less accumulated depreciation.

Restricted: Amounts not available for County use due to external restrictions imposed by grantors, contributors, laws and/or regulations of other governments.

Unrestricted: Remaining amounts available for the County to use for operations. Deficit balances are a result of GASB Statement 68 requiring the County to record its proportionate share of net pension liabilities for its retirement plans.

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
ASSETS						
Current and other assets	\$ 18,125,821	\$ 17,151,905	\$ 4,578,381	\$ 3,948,050	\$ 22,704,202	\$ 21,099,955
Capital assets	\$ 66,027,526	\$ 64,808,419	\$ 37,623,719	\$ 34,932,183	\$ 103,651,245	\$ 99,740,602
Total Assets	\$ 84,153,347	\$ 81,960,324	\$ 42,202,100	\$ 38,880,233	\$ 126,355,447	\$ 120,840,557
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	\$ 7,117,459	\$ 7,083,465	\$ -	\$ -	\$ 7,117,459	\$ 7,083,465
Total Deferred Outflows of Resources	\$ 7,117,459	\$ 7,083,465	\$ -	\$ -	\$ 7,117,459	\$ 7,083,465
LIABILITIES						
Current and other liabilities	\$ 5,502,529	\$ 5,122,921	\$ 974,711	\$ 1,006,387	\$ 6,477,240	\$ 6,129,308
Long-term liabilities	\$ 29,097,676	\$ 25,199,237	\$ 8,057,359	\$ 8,436,089	\$ 37,155,035	\$ 33,635,326
Total Liabilities	\$ 34,600,205	\$ 30,322,158	\$ 9,032,070	\$ 9,442,476	\$ 43,632,275	\$ 39,764,634
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	\$ (514,476)	\$ (77,913)	\$ -	\$ -	\$ (514,476)	\$ (77,913)
Total Deferred Inflows of Resources	\$ (514,476)	\$ (77,913)	\$ -	\$ -	\$ (514,476)	\$ (77,913)
NET POSITION						
Invested in capital assets, net of depreciation	\$ 64,157,052	\$ 62,639,216	\$ 29,321,987	\$ 26,255,838	\$ 93,479,039	\$ 88,895,054
Restricted	\$ 5,572,928	\$ 7,919,728	\$ 99,603	\$ 98,288	\$ 5,672,531	\$ 8,018,016
Unrestricted	\$ (12,544,903)	\$ (11,759,400)	\$ 3,748,440	\$ 3,083,631	\$ (8,796,463)	\$ (8,675,769)
Total net position	\$ 57,185,077	\$ 58,799,544	\$ 33,170,030	\$ 29,437,757	\$ 90,355,107	\$ 88,237,301

County Government Officials as of September 30, 2019

Constitutional Officers

Clerk of Court – Brent X. Thurmond, CPA
850-926-0300 | www.wakullaclerk.org

Property Appraiser – H. Bradley Harvey, CFA
850-926-0500 | <http://www.qpublic.net/fl/wakullapa/search.html>

Sheriff – Jared Miller
850-745-7100 | www.wcso.org

Supervisor of Elections – Henry “Buddy” Wells, MFCEP
850-926-7575 | <https://www.wakullaelection.com/>

Tax Collector – Cheryll Olah
850-926-3371 | <http://www.wakullacountytaxcollector.com/>

Board of County Commissioners www.mywakullacounty.com

District 1 – Ralph Thomas | 850-926-0919 x. 709

District 2 – Randy Merritt | 850-926-0919 x. 708

District 3 – Mike Stewart | 850-926-0919 x. 710

District 4 – Quincee Messersmith | 850-926-0919 x. 711

District 5 – Chuck Hess | 850-926-0919 x. 712

County Administrator – David Edwards | 850-926-0919 x. 702





Brent X. Thurmond
Clerk of Court
Wakulla County

850-926-0300 | www.wakullaclerk.org