

City of Green Cove Springs, Florida



Annual Audit for the Year Ended September 30, 2020

Presented by: James Halleran, CPA

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Independent Auditors' Reports

- **Financial Statement Opinion** (pages 1-3)
 - Unmodified Opinion
- **Internal Control over Financial Reporting and Compliance – Government Auditing Standards** (pages 68-69)
 - No material weaknesses in internal control
 - No material instances of noncompliance
- **Compliance – Federal and State Single Audit** (pages 66-67)
 - No compliance matters
- **Investment Policy Examination Report** (page 72)
- **City Signed Impact Fee Affidavit** (page 73)



Independent Auditors' Reports (Continued)

- **Management Letter Required by Chapter 10.550, Rules of the Auditor General (pages 70-71)**
 - **Financial Condition Assessment – Inconclusive (Average)**
 - 25 indicators analyzed
 - **2019-001 Deficit Assigned/Unassigned Fund Balance and Deficit Unrestricted Net Positions**
 - Corrective action taken



General Fund (Page 18)

<u>Fund Balance</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>
Nonspendable	\$198,210	\$174,744	\$143,827	\$142,725
Restricted	1,212,486	1,451,331	1,430,775	761,128
Committed	-0-	-0-	-0-	-0-
Assigned	-0-	-0-	-0-	754,630
Unassigned	<u>64,548</u>	<u>(735,599)</u>	<u>(75,380)</u>	<u>-0-</u>
Total	<u>\$1,475,244</u>	<u>\$890,476</u>	<u>\$1,499,222</u>	<u>\$1,658,483</u>

General Fund (Continued)

Total Assigned/Unassigned Fund Balance	\$ 64,548
2020 Expenditures	\$ 8,879,807
Percentage Assigned/Unassigned Fund Balance as a percentage of Expenditures and Transfers out:	0.7%
GFOA Minimum Rec. = 2 Months	At least 16.7%
Internal Policy (not met) = 30 Days	8.3%

Proprietary Funds (Page 24)

History of Unrestricted Net Position in the Proprietary Funds:

<u>Fund</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
Electric	\$ 10,480,300	\$ 10,267,930	\$ 9,469,153
Water	2,074,320	2,199,677	897,820
Sewer	(538,797)	(944,397)	(658,338)
Solid Waste	73,793	(165,009)	(230,489)
Stormwater	(93,210)	(142,777)	(55,724)
Cust. Service ISF	<u>(68,399)</u>	<u>(114,708)</u>	<u>(139,484)</u>
Total	<u>\$ 11,928,007</u>	<u>\$ 11,100,716</u>	<u>\$ 9,282,938</u>

Note a portion of each fund's unrestricted net position is reduced by their Net Pension Liability

Proprietary Funds (Continued)

Proprietary Funds Minimum Fund Balance Policy of 90 Days of Operating Budget

<u>Fund</u>	<u>Policy Met?</u>
Electric	YES
Water	YES
Sewer	NO
Solid Waste	NO
Stormwater	NO
Cust. Service ISF	NO

Retirement Plans & Pension Funds

- Net Pension Liability – recorded in financial statements
 - Governmental Activities: \$3.1 million liability (FRS) (Prior year \$2.1M)
 - \$945K asset (Police) (Prior year \$178K)
 - Proprietary Funds: \$1.6 million liability (FRS) (Prior year \$1.3)
- Police Net pension liability (asset) history (pages 55-56):

<u>Year</u>	<u>Net Pension Asset</u>	<u>Funded %</u>	<u>Investment Return</u>
2020	\$ 945,093	116.42%	6.37%
2019	\$ 178,136	103.05%	5.45%
2018	\$ 217,214	104.20%	7.39%
2017	\$ 596,484	114.29%	13.29%
2016	\$ 252,284	106.78%	8.11%
2015	\$ 608,844	121.09%	-0.14%

Questions?



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