



# Annual Audit 2021

**Presentation to: City of Green Cove Springs**  
**Presented by: James Halleran and Webb Shephard**



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# Independent Auditors' Reports

## Independent Auditors' Report (pages 1-3)

- » Unmodified opinion

## Internal Control over Financial Reporting and Compliance - Government Auditing Standards (pages 71-72)

- » No material weaknesses in internal control
- » Three significant deficiencies identified
  - 2021-001 Self-Insurance Program
  - 2021-002 Building Department Software Implementation and Segregation of Duties
  - 2021-003 Revenue and Expenditure/Expense Adjustments
- » No material instances of noncompliance



# Independent Auditors' Reports

## Compliance - Federal and State Single Audit (pages 69-70)

- » No compliance findings

## Investment Examination Report (page 75)

- » No findings

## Management Letter Required by Chapter 10.550, Rules of the Auditor General (pages 73-74)

- Financial Condition Assessment - Inconclusive (Average)
- Recommendation
  - » 2021-004 Pension Census Data



## General Fund (Page 18)

<u>Fund Balance</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
Nonspendable	\$267,290	\$198,210	\$174,744	\$143,827
Restricted	1,734,819	1,212,486	1,451,331	1,430,775
Committed	-0-	-0-	-0-	-0-
Assigned	-0-	-0-	-0-	-0-
Unassigned	(429,513)	64,548	(735,599)	(75,380)
Total	<u>\$1,572,596</u>	<u>\$1,475,244</u>	<u>\$890,476</u>	<u>\$1,499,222</u>



## General Fund

**Total assigned/unassigned fund balance  
(deficit)** **\$(429,513)**

**2021 Expenditures** **\$8,788,726**

**Percentage assigned/unassigned fund balance  
(deficit) as a percentage of expenditures** **(4.9)%**

**GFOA minimum rec. = 2 months** **At least 16.7%**

**Internal Policy (not met) = 30 days** **8.3%**

## Proprietary Funds (Page 23)

### History of Unrestricted Net Position in the Proprietary Funds:

<u>Fund Balance</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
Electric	\$ 9,466,794	\$ 10,480,300	\$ 10,267,930	\$ 9,469,153
Water	1,238,658	2,074,320	2,199,677	897,820
Sewer	196,341	(538,797)	(944,397)	(658,338)
Solid Waste	201,651	73,793	(165,009)	(230,489)
Stormwater	367,567	(93,210)	(142,777)	(55,724)
Cust. Service ISF	(14,506)	(68,399)	(114,708)	(139,484)
Total	\$ 11,456,505	\$ 11,928,007	\$ 11,100,716	\$ 9,282,938

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

# Proprietary Funds

## 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	YES
Stormwater	NO
Cust. Service ISF	NO

## Pensions – Net Pension Liability

**Governmental activities: \$1.2M liability (FRS) (prior year \$3.1M)**

» \$2.2M asset - Police (prior year \$945K)

**Business activities: \$663K liability (FRS) (prior year \$1.6M)**

**Police net pension liability (asset) history) (pages 56-57)**

<u>Year</u>	<u>Net Pension Asset</u>	<u>Funded %</u>	<u>Investment Return</u>
2021	\$ 2,161,613	135.63%	17.53%
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%





QUESTIONS?

# Government Services



- » Audit & Assurance
- » ACFR & Audit Preparation
- » Peace of Mind Services
- » Revenue Enhancement Services
- » Technology Solutions
- » HR Solutions
- » Retirement Plan Advisory Services
- » Operational Excellence
- » Strategic Planning
- » Transition Planning & Leadership Development
- » Business Advisory



# CONTACT

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