

# 2021

Nassau County Supervisor of Elections

Nassau County, Florida

## Financial Statements and Independent Auditor's Report

September 30, 2021

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORTS**

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NASSAU COUNTY, FLORIDA**

**SEPTEMBER 30, 2021**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Janet H. Adkins  
Nassau County Supervisor of Elections  
Nassau County, Florida

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

We have audited the accompanying financial statements of the general fund of the Nassau County, Florida, Supervisor of Elections (the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's 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 risks 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.

### CERTIFIED PUBLIC ACCOUNTANTS

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The Honorable Janet H. Adkins  
Nassau County Supervisor of Elections  
Nassau County, Florida

## INDEPENDENT AUDITOR'S REPORT

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 of the Supervisor of Elections as of September 30, 2021, and the respective changes in financial position and budgetary comparison for the general fund 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 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, changes in financial position, and budgetary comparisons of each major fund, and the aggregate remaining fund information, where applicable, only for that portion of the major funds, and the aggregate remaining fund information of Nassau County, Florida, that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position as a whole of Nassau County, Florida as of September 30, 2021, and the changes in its financial position, budgetary comparisons, or cash flows for the 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2022 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor of Elections' 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.



March 15, 2022  
Gainesville, Florida

## **FINANCIAL STATEMENTS**

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
BALANCE SHEET  
GENERAL FUND  
SEPTEMBER 30, 2021**

<b>Assets</b>	
Cash	\$ 593,272
Accounts Receivable	1,290
Prepays	<u>104,358</u>
<b>Total Assets</b>	<u><u>698,920</u></u>
<b>Liabilities and Fund Balance</b>	
<b>Liabilities</b>	
Accounts Payable	74,249
Due to the Board of County Commissioners	621,882
Unearned Revenue	<u>2,789</u>
<b>Total Liabilities</b>	<u>698,920</u>
<b>Fund Balance</b>	<u>-</u>
<b>Total Liabilities and Fund Balance</b>	<u><u>\$ 698,920</u></u>

See accompanying notes to financial statements.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<b>Revenues</b>	
Intergovernmental Revenue	\$ 200,378
Charges for Services	15,223
Miscellaneous Revenue	<u>6,663</u>
<b>Total Revenues</b>	<u>222,264</u>
 <b>Expenditures</b>	
Current:	
General Government:	
Personal Services	1,209,680
Operating Expenditures	664,000
Capital Outlay	<u>41,343</u>
<b>(Total Expenditures)</b>	<u>(1,915,023)</u>
 <b>(Deficiency) of Revenues (Under) Expenditures</b>	 <u>(1,692,759)</u>
 <b>Other Financing Sources (Uses)</b>	
Transfers in from Board of County Commissioners	2,467,671
Transfers (out) to Board of County Commissioners	(632,867)
Transfers (out) to Property Appraiser	(23,000)
Transfers (out) to Tax Collector	<u>(119,045)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>1,692,759</u>
 <b>Net Change in Fund Balance</b>	 -
 <b>Fund Balance, Beginning of Year</b>	 <u>-</u>
 <b>Fund Balance, End of Year</b>	 <u><u>\$ -</u></u>

See accompanying notes to financial statements.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance With Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental Revenue	\$ -	\$ 202,082	\$ 200,378	\$ (1,704)
Charges for Services	-	-	15,223	15,223
Miscellaneous Revenue	-	-	6,663	6,663
<b>Total Revenues</b>	<u>-</u>	<u>202,082</u>	<u>222,264</u>	<u>20,182</u>
<b>Expenditures</b>				
Current:				
General Government:				
Personal Services	1,335,179	1,209,717	1,209,680	37
Operating Expenditures	750,320	664,007	664,000	7
Capital Outlay	266,700	166,705	41,343	125,362
<b>(Total Expenditures)</b>	<u>(2,352,199)</u>	<u>(2,040,429)</u>	<u>(1,915,023)</u>	<u>125,406</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,352,199)</u>	<u>(1,838,347)</u>	<u>(1,692,759)</u>	<u>145,588</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in from Board of County Commissioners	2,534,366	2,642,671	2,467,671	(175,000)
Transfers (out) to Board of County Commissioners	(26,500)	(635,657)	(632,867)	2,790
Transfers (out) to Property Appraiser	(33,000)	(33,000)	(23,000)	10,000
Transfers (out) to Sheriff	(15,000)	(15,000)	-	15,000
Transfers (out) to Tax Collector	(107,667)	(120,667)	(119,045)	1,622
<b>Total Other Financing Sources (Uses)</b>	<u>2,352,199</u>	<u>1,838,347</u>	<u>1,692,759</u>	<u>(145,588)</u>
<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 accompanying notes to financial statements.



## **NOTES TO FINANCIAL STATEMENTS**

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

**Note 1 - Summary of Significant Accounting Policies**

The following is a summary of significant accounting principles and policies used in the preparation of the accompanying financial statements.

**Reporting Entity**

Nassau County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Nassau County, Florida, Supervisor of Elections (the Supervisor of Elections) is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor of Elections. The Supervisor of Elections is a part of the primary government of the County. The Board approves the Supervisor of Elections' total operating budget and the Clerk of the Court is responsible for accounting for the Supervisor of Elections' transactions. The Supervisor of Elections is responsible for the administration and operation of the Supervisor of Elections' office, and the Supervisor of Elections' financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as other financing sources on the Supervisor of Elections' financial statements.

For financial reporting purposes, the Supervisor of Elections is deemed to be a part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

**Basis of Presentation**

The accompanying financial statements include all funds and accounts of the Supervisor of Elections office, but are not intended to be a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(4), *Rules of the Auditor General—Local Governmental Entity Audits*.

The financial transactions of the Supervisor of Elections are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Supervisor of Elections reports the following fund type:

■ **Governmental Fund**

● **Major Fund**

- ▶ **General Fund**—The general fund is the general operating fund of the Supervisor of Elections. It is used to account for all financial resources, except for those required to be accounted for in another fund.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the general fund financial statements and refers to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed by the general fund. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Supervisor of Elections considers revenues to be available if they are collected within thirty days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid.

**Measurement Focus**

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that generally only current assets and current liabilities are included in the balance sheet. General fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

**Budgetary Requirement**

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the general fund.

The Supervisor of Elections' annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Budget to actual comparisons are provided in the financial statements for the general fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

**Capital Assets**

Tangible personal property is recorded as expenditures in the general fund at the time an asset is acquired. Assets acquired by the Supervisor of Elections are capitalized at cost in the capital asset accounts of the County. The Supervisor of Elections maintains custodial responsibility for the capital assets used by the office.

**Unearned Revenue**

Unearned revenue represents monies received for voter education and/or poll worker grants which had not been expended at fiscal year-end. Revenue will be recognized in subsequent years when all eligibility requirements have been met.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

**Compensated Absences**

The Supervisor of Elections' policy for granting employees vacation leave is based upon the number of years of employment. An employee is entitled to receive payment for such accumulated leave upon separation in good standing.

In addition, the Supervisor of Elections' policy provides that employees earn sick leave at the rate of four hours every two weeks up to a maximum of ninety days, seven hundred twenty (720) hours. Any employee who has accumulated the maximum of unused sick leave in one year shall be paid for any unused sick leave above the ninety days, seven hundred twenty (720) hours. Said payment shall be made on the first (1<sup>st</sup>) pay day of December each year.

**Workers' Compensation and Group Health Insurance**

The Board provided the Supervisor of Elections and her employees with workers' compensation and group health insurance coverages. The premiums for such coverages were paid by the Board and recorded on its records and, consequently, are not recorded on the Supervisor of Elections' records.

**Note 2 - Cash**

At September 30, 2021, the carrying amount of the Supervisor of Elections' cash balance, as recorded on the Board's records, was \$593,272. Deposits in banks and savings and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All of the cash deposits are placed with qualified financial institutions, which means they are insured or collateralized.

**Note 3 - Employee Retirement Plan**

**General Information about the Florida Retirement System (FRS)**

The Florida Retirement System (FRS) was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

Essentially all regular employees of the Supervisor of Elections are eligible to enroll as members of the state-administered FRS. Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112 Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, *Florida Administrative Code* wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans and other non-integrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' web site ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The Supervisor of Elections' contributions to the plan for the years ended September 30, 2021, 2020, and 2019, were \$168,114, \$150,983, and \$132,531, respectively, equal to the required contributions for each year. The net pension liability for the Supervisor of Elections is not calculated separately but is reported as part of the County's total net pension liability and shown in the county-wide statement of net position for the County.

**FRS Pension Plan**

*Plan Description.* The FRS Pension Plan (the Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership applicable to the Supervisor of Elections are as follows:

- *Regular Class*—Members of the Plan who do not qualify for membership in the other classes.
- *Elected County Officer Class*—Members who hold specified elective offices in local government.
- *Senior Management Service Class*—Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipts of monthly benefit payments while continuing employment with an FRS employer.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

*Benefits Provided.* Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Certain members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>Percent Value</u>
<b><i>Regular Class Members Initially Enrolled Before July 1, 2011:</i></b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<b><i>Regular Class Members Initially Enrolled on or After July 1, 2011:</i></b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<b><i>Elected County Officers</i></b>	<b>3.00</b>
<b><i>Senior Management Service Class</i></b>	<b>2.00</b>

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2020-2021 fiscal year were as follows:

<u>Class</u>	<u>Year Ended June 30, 2021</u>		<u>Year Ended June 30, 2022</u>	
	<u>Percent of Gross Salary</u>		<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
FRS, Regular	3.00	8.28	3.00	9.10
FRS, Elected County Officers	3.00	47.46	3.00	49.70
FRS, Senior Management Service	3.00	25.57	3.00	27.29
DROP – Applicable to Members from All of the Above Classes	0.00	15.26	3.00	16.62
FRS, Reemployed Retiree	(1)	(1)	(1)	(1)

**Notes:** (1) Contribution rates are dependent upon retirement class in which reemployed. The rates above do not include the 1.66% HIS contribution rate and the .06% administrative fee.

**HIS Pension Plan**

Plan Description. The HIS Pension 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, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under the State-administered retirement systems 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 years ended June 30, 2021 and 2020, the contribution rates were 1.66% and 1.66% of payroll, respectively, pursuant to Section 112.363, Florida Statutes. The Supervisor of Elections 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.

**FRS – Defined Contribution Pension Plan**

The Supervisor of Elections contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member’s account upon retirement.

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Supervisor of Elections employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual members' accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officer, etc.) as the FRS defined benefit plan. These blended rates include the applicable rates for the unfunded actuarial accrued liability of the FRS defined benefit plan, the 1.66% HIS contribution rate, and the .06% administrative fee. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment members' accounts (employer and employee) during the 2020-21 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer</u>
FRS, Regular	3.00	3.30
FRS, Elected County Officers	3.00	8.34
FRS, Senior Management Service	3.00	4.67

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Plan is transferred to the Investment Plan, the member must have the years of service required for Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Supervisor of Elections.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.



**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

**Note 4 - Change in Long-Term Debt**

The following is a summary of the change in long-term debt of the Supervisor of Elections for the year ended September 30, 2021:

	<u>Balance October 1, 2020</u>	<u>Additions</u>	<u>(Deletions)</u>	<u>Balance September 30, 2021</u>
Accrued Compensated Absences	\$ 68,674	\$ 35,879	\$ (29,165)	\$ 75,388
Other Postemployment Benefits	<u>323,495</u>	<u>-</u>	<u>(44,934)</u>	<u>278,561</u>
<b>Total Long-Term Debt</b>	<u>\$ 392,169</u>	<u>\$ 35,879</u>	<u>\$ (74,099)</u>	<u>\$ 353,949</u>

Accrued compensated absences represent the vested portion of accrued vacation leave. See Note 1 for a summary of the Supervisor of Elections' compensated absences policy.

The Supervisor of Elections' long-term debt is not recorded in the accompanying financial statements but is recorded in the statement of net position as part of the basic financial statements of the County.

Other Postemployment Benefits (OPEB) represents the portion of the liability based upon current and retired employees of the Supervisor of Elections. See Note 5 for a description of OPEB.

**Note 5 - Other Postemployment Benefits**

The County offers certain postemployment health care benefits that are considered part of an OPEB plan for financial accounting purposes. The OPEB is a single-employer benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees.

Retirees and their dependents are permitted to remain covered under the County's respective medical and insurance plans (except for life insurance) as long as they pay a full premium applicable to coverage elected, subject to the direct subsidy in the following table. This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes.

<u>Percent of Direct Subsidy up to "Subsidy Base Maximum"</u>		
<u>Years of Service With Nassau County</u>	<u>Hired Before 10/1/05</u>	<u>Hired on or After 10/1/05</u>
At Least 6	100%	0%
15 Years	100%	50%
20 Years	100%	65%
25 Years	100%	80%
30 or More Years	100%	100%

**NASSAU COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS**

Currently, the Supervisor of Elections has eight active employees and one retired employees who are considered participants in the plan for purposes of computing the OPEB obligation. The Supervisor of Elections' portion of the OPEB obligation at September 30, 2021, totaled \$278,561. This liability will be included in long-term liabilities in the County-wide financial statements. Details of the annual cost, the accrued obligation, and the other required disclosures can be found in the County-wide annual financial report.

**Note 6 - Operating Lease**

The Supervisor of Elections' office leases certain equipment through operating leases with varying maturity dates through September 2025. Total lease payments of \$17,232 were made during the fiscal year ended September 30, 2021.

The future minimum lease payments for the operating leases in place as of September 30, 2021 are as follows:

<u>Year Ending September 30</u>	<u>Amount</u>
2022	\$ 17,232
2023	7,292
2024	7,292
2025	<u>2,881</u>
<b>Total</b>	<u><u>\$ 34,697</u></u>

## **OTHER REPORTS**

**INDEPENDENT AUDITOR'S 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 Janet H. Adkins  
Nassau County Supervisor of Elections  
Nassau 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 of the general fund of the Nassau County, Florida, Supervisor of Elections (the 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' basic financial statements, and have issued our report thereon dated March 15, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Supervisor of Elections' 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.

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The Honorable Janet H. Adkins  
Nassau County Supervisor of Elections  
Nassau County, Florida

**INDEPENDENT AUDITOR'S 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***

**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, non-compliance with which could have a direct and material effect on the financial statement. 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 non-compliance 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 Supervisor of Elections' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



March 15, 2022  
Gainesville, Florida

## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Janet H. Adkins  
Nassau County Supervisor of Elections  
Nassau County, Florida

We have examined Nassau County, Florida, Supervisor of Elections' (the Supervisor of Elections) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2021, as required by Section 10.556(10)(a), *Rules of the Auditor General*. 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Supervisor of Elections complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor of Elections 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 non-compliance, 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 Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervision of Elections complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021.

This report 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, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



March 15, 2022  
Gainesville, Florida

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## MANAGEMENT LETTER

The Honorable Janet H. Adkins  
Nassau County Supervisor of Elections  
Nassau County, Florida

### Report on the Financial Statements

We have audited the financial statements of the general fund of the Nassau County, Florida, Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2021, and have issued our report thereon dated March 15, 2022.

### Auditor's 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 Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 15, 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 or recommendations made in the preceding annual financial audit report.

### Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Supervisor of Elections was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor of Elections.

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The Honorable Janet H. Adkins  
Nassau County Supervisor of Elections  
Nassau County, Florida

## MANAGEMENT LETTER

### 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 non-compliance 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 Supervisor of Elections, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



March 15, 2022  
Gainesville, Florida



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