

**AT A SPECIAL MEETING OF THE BOARD OF COUNTY
COMMISSIONERS HELD IN AND FOR GADSDEN
COUNTY, FLORIDA ON JUNE 22, 2023 AT 3:00 P.M.,
THE FOLLOWING WAS HAD, VIZ:**

Present: **Kimblin NeSmith, Chair, District 3**
 Eric Hinson, Vice-Chair, District 1
 Alonzetta Simpkins, District 2
 Brenda Holt, District 4
 Ronterious “Ron” Green, District 5 – appeared by phone
 Edward J. Dixon, County Administrator
 Clayton Knowles, County Attorney
 Nicholas Thomas, Clerk of Court
 Marcella Blocker, Deputy Clerk
 Adriana Quijada, Secretary to the Boards

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE

Chair NeSmith called the meeting to Order at 3:04 pm, asked for a moment of silence and led in the Pledge of Allegiance to the U. S. Flag.

Commissioner Holt arrived at 3:05 pm.

CITIZENS REQUESTING TO BE HEARD ON NON-AGENDA ITEMS

The Gadsden County Board of County Commissioners welcomes and encourages public participation at all meetings of the Board. Citizens are free to speak for up to three (3) minutes on non-agenda items. Public comments and participation are also encouraged for items on the agenda. Additionally, if you are unable to attend a meeting in person, comments from the Public can also be submitted via email to CitizensToBeHeard@gadsdencountyfl.org until noon on the date of the meeting. Comments submitted after the deadline, but prior to the meeting, will be added to the official record, but the County cannot guarantee that Commissioners and staff will have adequate time to review comments prior to the meeting. Citizens are further encouraged to participate via Zoom using the credentials on the County’s website. The Board’s meetings are also broadcast live on the Board’s Facebook page.

GENERAL BUSINESS

1. Accept the Audit Report presented by Purvis & Gray

Mr. Dixon introduced the auditors present, Ryan Tucker and Megan Camp from Purvis & Gray.

Ryan Tucker, CPA, Purvis & Gray appeared before the Board to present the audit to the Board. He said they were receiving an unmodified opinion on the County’s financial statement, which was a clean audit. There were no material weaknesses in internal control over financial reporting under Government Auditing Standards. There were a couple of budgetary matters noted on the Sheriff, Property Appraiser, and Supervisor of Elections.

There were no compliance issues to report.

Single Audit

When the County spends more than \$750,000 of Federal or State grant expenditures, they have to do a single audit report. They had to do one for Federal and State and there were two major Federal grant programs that had to be looked at on the Federal side and three on the State side. There were no compliance issues to report.

BOCC Finding

BOCC did not perform a comprehensive inventory of capital assets in accordance with F.S. 274 and reconcile that inventory to the underlying capital assets subsidiary records. It was recommended that a physical and inventory be performed annually and reconciled to the capital asset subsidiary records.

Property Appraiser

The Property Appraiser incurred expenses that exceeded budget which resulted in a deficit in fund balance at year end. It was recommended the property appraiser's budget be amended within statutory requirements (60 days of year-end).

Supervisor of Elections

The Supervisor incurred expenditures that exceeded budget which resulted in a deficit in fund balance at year end. It was recommended the Supervisors' budget be amended with statutory requirements (60 days of year-end).

Sheriff

The Sheriff's budget was not properly amended to include additional proceeds from terminations of Enterprise leases. It was recommended the Sheriff's budget be amended within statutory requirements (60 days of year-end).

Florida Statutes require each county officer to make an annual report to the Board of revenues and expenses within 31 days of close of fiscal year. The Sheriff's books and records were not closed and ready for audit until January 2023. He added that was primarily a staffing issue in the Sheriff's accounting department. It was recommended procedures to be implemented to ensure that the books and records are closed in a timely manner

Significant Events and Financial Highlights:

County-wide Revenues

Program Revenues jumped around from a one year to the next depending on grants that were going on and in 2021 the CARES and ARPA program were going on more significantly and that was why grant revenues were higher.

General Revenues

The property taxes, sales tax, State Shared Revenues and Local Option Taxes were trending upward and increased new revenue.

County-wide Expenses

Expenses were higher in 2021 mainly due to CARES and ARPA. Expenses were down from the prior year by approximately \$5.4 Million or 11.2%.

General Fund Unassigned Fund Balances

Unassigned Fund Balance has been trending upward of just under \$5 Million and was about 2.6 months of annual expenses.

Selected Financial Information

General fund has surplus of \$473,548; County Transportation had a loss of \$210,092; EMS Fund received a transfer from the Board late in the year that brought that into a positive balance; Indigent Surtax fund has \$1 Million surplus and Building Inspection fund has a surplus of \$135,991.

Summary of Federal and State Grant Activity

There were 15 Federal grants and 28 State grants with a combined total of \$8,189,139.

Capital Asset Activity

- Capital Expenditures totaled \$5.7 m in FY 2022
- EMS Department acquired medical equipment for \$769k and ambulance for \$218k under installment purchase agreements
- Public Works acquired equipment totaling \$639k
- Sheriff's Office leased 5 new vehicles totaling \$190k
- Road projects included Point Milligan Road (\$1.6M), Potter Woodberry Road (\$71k), Cochran Road (\$567k), Point Milligan Road Bridge (\$110k) and Hardaway Highway \$189k

Long Term Debt

- Paid off Library bonds in 2022
- Financed purchase of EMS equipment totaling \$769k (10 years at 1.135%)
- Financed purchase of ambulance for \$218k (5 years at 3.3%)
- Sheriff leased 5 vehicles totaling \$190k (4-year terms at 6.83%)
- Reduced debt by paying down \$2.2M of outstanding bonds, notes and installment/lease obligations; balance of outstanding debt at 9/30/22 totals \$15.3 million

Overall the County reduced their long-term debt by \$2.2M and left the balance of outstanding debt totaling \$15.3 million.

Required Communications

Mr. Tucker said they had to implement a new accounting standard, GASB 87 on leases.

Future Accounting Developments

Mr. Tucker said there is an accounting standard, GASB 96, that will be required to record a "right to use" asset and corresponding liability for all noncancelable SBITA's that exceed one year. This asset and liability will be reduced (expensed) over the life of the agreement.

Commissioner Holt asked to look at the last page and said they needed a dedicated person to handle this and need a standardized form to input all the information. Also, on the end of year reporting, they need to have the report ready at least 30 days before the end of the 60 days.

Commissioner Simpkins asked about the licensing issue as it related to the IT, if their IT Department covered licensing for all Constitutional offices. Ms. Daniels said she knew they did for BOCC and thought the Constitutionals were responsible for their own licensing.

Megan Camp said it was important to clarify it was not limited to IT specific licenses and explained it was any type of software where there is underlying agreement, such as software that goes into platting system for Property Appraiser; software on laptops in Sheriff's vehicles, etc.

Commissioner Green said overall, they had a good audit but who was responsible for the preliminary reports?

Ms. Daniels said Procurement would be the point person because Procurement also handles a lot of the tagging of the inventory.

Commissioner Hinson said he noticed the Sheriff had his response and asked where their response was. Mr. Tucker passed out their response to the Commissioners.

Chair NeSmith asked if the Constitutionals were addressed for their budget that they exceeded. Ms. Daniels said they made an amendment to the budget but it was after the 60 days. They will be working with them more closely in the coming year.

COMMISSIONER HOLT MADE A MOTION TO APPROVE THE AUDIT AND COMMISSIONER GREEN MADE THE SECOND. THE BOARD VOTED 5-0 BY VOICE VOTE TO APPROVE.

MOTION TO ADJOURN

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, CHAIR NESMITH DECLARED THE MEETING ADJOURNED AT 3:38 P.M.

GADSDEN COUNTY, FLORIDA

**KIMBLIN NESMITH, Chair
Board of County Commissioners**

ATTEST:

NICHOLAS THOMAS, Clerk