

**Franklin County, Florida
Clerk of the Circuit Court**

**Special-Purpose
Financial Statements
September 30, 2021**

Vance CPA, LLC

Certified Public Accountant

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**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SEPTEMBER 30, 2021**

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INDEPENDENT AUDITORS' REPORT

To the Honorable Michele Maxwell
Franklin County Clerk of the Circuit Court
Franklin County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Franklin County Clerk of Courts and Comptroller (the Office), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Franklin County Clerk of Courts and Comptroller's 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 risk 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the Franklin County Clerk of Courts and Comptroller as of September 30, 2021, and the respective changes in financial position thereof for the fiscal 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. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds, of Franklin County, Florida, that is attributable to the Franklin County Clerk of Courts and Comptroller. They do not purport to, and do not, present fairly the financial position of Franklin County,

Florida as of September 30, 2021, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and are derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report on our consideration of the Franklin County Clerk of Courts and Comptroller's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. The purpose of that report is 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 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 Franklin County Clerk of Courts and Comptroller's internal control over financial reporting and compliance.

Vance CPA LLC

Apalachicola, Florida
June 15, 2022

Vance CPA LLC

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

**SPECIAL-PURPOSE BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Fines and Forfeitures Fund</u>	<u>Modernization Trust Fund</u>	<u>Total Governmental Funds</u>
Assets:				
Cash and cash equivalents	\$ 190,127	\$ 51,949	\$ 232,017	\$ 474,093
Accounts receivable	38	—	—	38
Due from other funds	17,040	19,748	4,960	41,748
Due from other governmental units	9,869	—	—	9,869
Prepays	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Assets	<u>217,074</u>	<u>71,697</u>	<u>236,977</u>	<u>525,748</u>
Liabilities Deferred Inflows and Fund Balances:				
Deferred Inflows				
Jury funding	<u>—</u>	<u>2,339</u>	<u>—</u>	<u>2,339</u>
Total Deferred Inflows	<u>—</u>	<u>2,339</u>	<u>—</u>	<u>2,339</u>
Liabilities				
Accounts payable	15,166	1,223	1,049	17,438
Due to other funds	149,028	3,565	—	152,593
Due to other governmental units	136	64,570	—	64,706
Due to Board of County Commissioners	<u>1,625</u>	<u>—</u>	<u>—</u>	<u>1,625</u>
Total Liabilities	<u>165,955</u>	<u>69,358</u>	<u>1,049</u>	<u>236,362</u>
Fund Balance:				
Restricted	<u>51,119</u>	<u>—</u>	<u>235,928</u>	<u>287,047</u>
Total Liabilities Deferred Inflows and Fund Balances	<u>\$ 217,074</u>	<u>\$ 71,697</u>	<u>\$ 236,977</u>	<u>\$ 525,748</u>

See accompanying notes to the basic financial statements

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN RESTRICTED FUND BALANCES
GOVERNMENTAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2021

	<u>General Fund</u>	<u>Fines and Forfeitures Fund</u>	<u>Modernization Trust Fund</u>	<u>Total Governmental Funds</u>
Revenues:				
Charges for services	\$ 149,659	\$ 127,821	\$ 64,485	\$ 341,965
Intergovernmental revenue	42,893	482,525	—	525,418
Investment income	232	82	174	488
Fines and Forfeitures	—	66,592	—	66,592
Total revenues	<u>192,784</u>	<u>677,020</u>	<u>64,659</u>	<u>934,463</u>
Expenditures:				
General government				
Current				
Personal services	398,106	—	—	398,106
Operating expenditures	62,239	—	887	63,126
Capital outlay	1,217	—	—	1,217
Court-related				
Current				
Personal services	40,546	619,116	—	659,662
Operating expenditures	9,488	15,751	34,267	59,506
Capital outlay	—	—	—	—
Total expenditures	<u>511,596</u>	<u>634,867</u>	<u>35,154</u>	<u>1,181,617</u>
Excess (deficit) of revenues over (Under) Expenditures	(318,812)	42,153	29,505	(247,154)
Other financing sources (uses)				
Transfers from Board of County Commissioners	484,701	—	—	484,701
Transfers to Board of County Commissioners	(148,752)	—	—	(148,752)
Reversion to State of Florida	—	(42,153)	—	(42,153)
Total other financing Sources (uses)	<u>335,949</u>	<u>(42,153)</u>	<u>—</u>	<u>293,796</u>
Net change in fund balances	17,137	—	29,505	46,642
Fund balances - beginning	<u>33,982</u>	<u>—</u>	<u>206,423</u>	<u>240,405</u>
Fund balance - ending	<u>\$ 51,119</u>	<u>\$ —</u>	<u>\$ 235,928</u>	<u>\$ 287,047</u>

See accompanying notes to the basic financial statements

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

CUSTODIAL STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2021

ASSETS

Cash and Cash Equivalents \$ 199,029

Total Assets \$ 199,029

LIABILITIES

Due to other funds 37,140

Due to Board of County Commissioners 7,481

Due to other governments 11,010

Total Liabilities \$ 55,631

NET POSITION

Restricted for:

Other individuals and organizations 143,398

Total Net Position \$ 143,398

See accompanying notes to the basic financial statements

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

CUSTODIAL STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

SEPTEMBER 30, 2021

Additions	
Court related	<u>\$6,676,100</u>
Total Additions	<u>6,676,100</u>
Deductions	
Court related payments	<u>6,591,845</u>
Total Deductions	<u>6,591,845</u>
Net change in fiduciary net position	84,255
Net position, beginning	<u>59,143</u>
Net Position, ending	<u>\$ 143,398</u>

See accompanying notes to the basic financial statements

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Clerk of the Circuit Court of Franklin County, Florida is an elected Constitutional Officer of Franklin County pursuant to Article VIII, Section (1) of the *Constitution of the State of Florida*. For financial statement and reporting purposes, the Clerk is a separate constitutional officer as provided for by Chapter 218, Florida Statutes. The Clerk is considered to be a part of the primary government of Franklin County, Florida and the financial information is included in Franklin County's county-wide financial statements.

These special-purpose financial statements include only the balance and activity of the Clerk's office. They have been prepared for the purpose of complying with Section 10.557, *Rules of the Auditor General for Local Government Entity audits*, and are not intended to be a complete presentation of the financial position of the County, or the changes in financial position or where applicable, cash flows, thereof, in conformity with accounting principles generally accepted in the United States of America.

The Clerk funds her operations as a fee officer and a budget officer pursuant to Florida Statutes, Chapters 28, 218 and 129. As a fee officer, the Clerk collects fees and commissions from the County and Circuit Court related matters. As a budget officer, the operations as Clerk to the Board are approved and funded by the Board of County Commissioners. The budgeted receipts from the Board are recorded as other financing sources on the Clerk's financial statements and as other financing uses on the Board's financial statements. Excesses of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

The accounting policies of the Clerk conform to accounting principles generally accepted in the United States of America, as applicable to governments.

B. Basis of Presentation

Accounts are organized on the basis of fund types, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures as appropriate. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The Clerk utilizes the following fund types:

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Fund Types

General Fund – The general fund is the general operating fund of the Clerk. It is used to account for all financial resources, except for those required to be accounted for in other funds.

Fine and Forfeitures Trust Fund – This fund accounts for funds collected and disbursed pursuant to statutes, administrative orders and ordinances.

Modernization Trust Fund – The modernization trust fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Fiduciary Fund Type

Custodial Funds – The custodial funds are used to account for assets held by the Clerk as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of changes in financial position.

C. Basis of Accounting

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

The accompanying financial statements have been prepared using the modified accrual basis of accounting for governmental funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recorded when the liability is incurred, if measurable, except for principal and interest on long-term obligations which is recorded when due.

The Clerk considers receivable collected within 60 days after year end to be available and susceptible to accrual as revenues of the current year. Charges for services and interest earned are susceptible to accrual.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. 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. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental 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.

E. Budgetary Requirements

Expenditures, other than those for certain agency funds, are controlled by appropriations in accordance with the budget requirements set forth in Florida Statutes. Budgets are adopted for governmental and special revenue funds. Budgetary control is exercised at the fund level. Budgetary changes within the fund are made at the discretion of the Clerk. Appropriations lapse at the end of the fiscal year to the extent they have not been expended. The budgeted revenues and expenditures in the accompanying budgetary comparison statement reflect all approved amendments.

Florida Statutes Chapter 218.35 governs the preparation, adoption, and administration of the Clerk’s annual budget. The Clerk establishes an annual budget for the office which clearly reflects the revenues available to the office and the functions for which the money is to be expended.

The Clerk’s budget is prepared in three parts:

1. The budget relating to the requirements of the Clerk as the Ex Officio Clerk to the Board, County Auditor, County Recorder, and Custodian or Treasurer of all County funds and other county related duties, and for chapter 29 obligations;
2. The budget relating to the Florida court system, which is filed with the Clerk of Courts Operations Corporation (CCOC) by June 1 preceding the fiscal year of the budget, in the format required by the CCOC. Section 28.36, Florida Statutes, defines the maximum annual budget permitted; and
3. The budget for all other operations of the Clerk.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The annual budgetary data reported for the governmental fund types are adopted on a basis consistent with accounting principles generally accepted in the United States and represent the Clerk's adopted budget, the original appropriation ordinance, and budget amendments approved by the Clerk or as adopted by the Board.

Budget to actual comparisons are provided in the financial statements for the general fund, the fine and forfeitures trust fund, and modernization trust 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.

F. Cash and Cash Equivalents

The Clerk considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

G. Investments

Investments are administered by the Florida State Board of Administration or consist of certificates of deposit when directed by court order. In accordance with the provisions of GASB Statement Number 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments of the Clerk are reported at amortized cost, which approximates fair value.

H. Capital Assets

Tangible personal property is recorded as expenditures in the governmental fund types at the time an asset is acquired. Title to these assets vests with the Franklin County Board of County Commissioners, and therefore, the Franklin County Board of County Commissioners records the capitalization of the asset, and any related depreciation. The Clerk maintains custodial responsibility for the capital assets used by her office.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Compensated Absences

The Clerk maintains a policy that permits employees to accumulate earned but unused leave time and compensatory time benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. Employees may be paid for unused leave time and compensatory time hours accrued up to a maximum amount.

Both the current and long-term portion of compensated absences are accrued and reported in the government-wide financial statements of Franklin County. No expenditure is reported in the government fund level statements for these amounts until payment is made. Compensated absences liability is based on current rates of pay.

J. Net Assets and Fund Equity

GASB Statement 54 – *Fund Balance Reporting and Governmental Funds Type Definitions* was implemented as of October 1, 2009. This Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Categories for fund balance are as follows: nonspendable, restricted, committed, assigned, and unassigned. For more information, see the County-wide note on fund balance.

K. Restricted Assets

Certain assets of the various funds are required by resolutions or ordinances to be set aside and used for specific purposes; thus, they are not available to be used for general operations. When both restricted and unrestricted resources are available for use, it is the government's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

L. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make use of estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from estimates.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Subsequent Events

The County evaluated subsequent events through June 15, 2022, the date which the financial statements were available to be issued. The County did not have any subsequent events requiring disclosure or recording in these financial statements.

N. Excess Court-related Funds

Based on the legal opinion provided by Clerks of Court Operations Corporation general counsel of the provisions of Section 28.37(3),F.S., which was adopted as policy by the CCOC Finance and Budget Committee, all excess court-related funds have been included in a fund liability, Due to Other Governments.

NOTE 2 - CASH AND INVESTMENTS

Cash Deposits

All Clerk depositories are banks designated by the State Treasurer as qualified public depositories. Chapter 280, Florida Statutes “Florida Security for Public Deposits Act” provides procedures for public depositories to insure monies in banks and savings and loans are collateralized with the Treasurer as an agent for the public entities. All Clerk cash consists of checking accounts and interest-bearing time deposits in a local bank.

Investments

The Clerk maintains investment accounts with the Local Government Surplus Trust Funds Trust Fund (LGSF) administered by the Florida State Board of Administration (SBA). The LGSF is an external investment pool that is not a registrant with the Securities and Exchange Commission (SEC); however, the SBA has adopted operating procedures consistent with the requirements for an SEC Rule 2a-7 fund. The LGSF is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general operating procedures for the administration of the LGSF. Additionally, the Florida Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Investments with the SBA are not evidenced by securities that exist in physical or book entry form. The LGSF is not rated by statistical rating organizations.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 2 - CASH AND INVESTMENTS (continued)

The Clerk held no investments at September 30, 2021.

Interest Rate Risk

At September 30, 2021, the Clerk did not hold any investments that were considered to be an interest rate risk.

Credit Risk

At September 30, 2021 the Clerk did not hold any investments that were considered to be a credit risk.

Custodial Risk

At September 30, 2021 the Clerk did not hold any deposits or investments that were considered to be a custodial risk.

Concentration of Credit Risk

At September 30, 2021 the Clerk did not hold any deposits or investments that were considered to be a credit risk.

NOTE 3 – EMPLOYEE BENEFITS

RETIREMENT PLAN

The Florida Retirement System (FRS) was created by 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 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.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 3 – EMPLOYEE BENEFITS (continued)

Essentially all regular employees of the Clerk are eligible to enroll as members of the State-administered FRS. Provisions relating to the 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 the two costs-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statement, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com)

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- Elected County Officers Class – Members who hold specified elective offices in local government.
- Senior Management Service Class (SMSC) – Members in senior management level positions.
- Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 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 FRS 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

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 3 – EMPLOYEE BENEFITS (continued)

risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS 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 FRS 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 FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. 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 FRS 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 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 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. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

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 percent 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 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 3 – EMPLOYEE BENEFITS (continued)

Detailed information about the County’s proportionate share of FRS’s net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Plan Description

The Retiree Health Insurance Subsidy Program (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 Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County’s proportionate share of HIS’s net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA’s annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

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. Clerk employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s 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.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 3 – EMPLOYEE BENEFITS (continued)

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. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the member must have the years of service required for FRS Pension 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 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 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 Clerk.

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 operations. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

Participating employer contributions are based upon statewide rates established by the State of Florida. The Clerk's contributions made to the plans during the years ended September 30, 2021, 2020, and 2019 were \$137,392, \$96,188, and \$90,894 respectively, equal to the actuarially determined contribution requirements for each year. Additional information about pension plans can be found in the County's annual financial statements.

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2021

NOTE 4 – CHANGES IN LONG-TERM OBLIGATIONS

Long-term debt of the Clerk of the Circuit Court is reported as a component of the County’s government-wide financial statements as follows:

	Balance		Balance	
	<u>09/30/20</u>	<u>Additions</u>	<u>Reductions</u>	<u>09/30/21</u>
Accumulated compensated absences	\$ 81,568	\$ 49,455	\$ (73,521)	\$ 57,502

Accrued compensated absences represent the vested portion of accrued leave time, and compensatory time. See note 1 for a summary of the Clerk of the Circuit Court’s policy regarding compensated absences.

NOTE 5 –RISK MANAGEMENT

The Clerk is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Clerk participates in the risk management program through the Franklin County Board of County Commissioners, which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board obtained commercial insurance against losses for the following types of risk:

- Real and personal property damage
- Public employee’s bond
- Workers’ compensation
- General and automobile liability

NOTE 6 – ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods and services. They do not constitute expenditures or liabilities. The commitments will be honored in the subsequent year for those that expire at year end. The Clerk had no outstanding encumbrances at September 30, 2021.

NOTE 7 – RESTATEMENT OF NET POSITION

For the fiscal year ended September 30, 2021, the Office implemented GASB Statement No. 84, *Fiduciary Activities*. Beginning net position in the custodial funds was restated from \$-0- to \$59,143, as a result of this implementation.

REQUIRED SUPPLEMENTARY INFORMATION

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND**

YEAR ENDED SEPTEMBER 30, 2021

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget Positive (Negative)</u>
Revenues:				
Charges for services	\$ 90,900	\$ 90,900	\$ 149,659	\$ 58,759
Intergovernmental revenue	41,000	41,000	42,893	1,893
Interest income	150	150	232	82
Total revenues	<u>132,050</u>	<u>132,050</u>	<u>192,784</u>	<u>60,734</u>
Expenditures:				
General Government				
Current				
Personal services	443,885	443,885	398,106	45,779
Operating expenditures	66,241	66,241	62,239	4,002
Capital outlay	—	—	1,217	(1,217)
Court-related				
Current				
Personal services	91,904	91,904	40,546	51,358
Operating expenditures	20,103	20,103	9,488	10,615
Capital outlay	42,505	42,505	—	42,505
Total expenditures	<u>664,638</u>	<u>664,638</u>	<u>511,596</u>	<u>153,042</u>
Excess (deficit) of revenues over (under) expenditures	<u>(532,588)</u>	<u>(532,588)</u>	<u>(318,812)</u>	<u>213,776</u>
Other financing sources (uses)				
Transfers from Board of County Commissioners	498,606	498,606	484,701	(13,905)
Transfers to Board of County Commissioners	—	—	(148,752)	(148,752)
Total other financing Sources (uses)	<u>498,606</u>	<u>498,606</u>	<u>335,949</u>	<u>(162,657)</u>
Net change in fund balances	<u>(33,982)</u>	<u>(33,982)</u>	<u>17,137</u>	<u>51,119</u>
Fund balances - beginning	<u>33,982</u>	<u>33,982</u>	<u>33,982</u>	<u>—</u>
Fund balances - ending	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 51,119</u>	<u>\$ 51,119</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance – budget to actual – general fund is an integral part of this schedule.

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – FINE AND FORFEITURES TRUST FUND**

YEAR ENDED SEPTEMBER 30, 2021

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget Positive (Negative)</u>
Revenues:				
Intergovernmental revenue	\$ 481,919	\$ 482,528	\$ 482,525	\$ (3)
Investment Income	70	70	82	12
Charges for services	109,131	109,131	127,821	18,690
Fines and forfeitures	<u>43,139</u>	<u>43,139</u>	<u>66,592</u>	<u>23,453</u>
Total revenues	<u>634,259</u>	<u>634,868</u>	<u>677,020</u>	<u>42,152</u>
Expenditures:				
Court-related				
Current				
Personal services	617,218	617,218	619,116	(1,898)
Operating expenditures	17,041	17,650	15,751	1,899
Capital outlay	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>634,259</u>	<u>634,868</u>	<u>634,867</u>	<u>1</u>
Excess (deficit) of revenues over (under) expenditures	<u>—</u>	<u>—</u>	<u>42,153</u>	<u>42,153</u>
Other financing sources (uses)				
Reversion to State of Florida	<u>—</u>	<u>—</u>	<u>(42,153)</u>	<u>(42,153)</u>
Net change in fund balances	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances - beginning	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances - ending	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance – budget to actual – general fund is an integral part of this schedule.

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – MODERNIZATION TRUST FUND**

YEAR ENDED SEPTEMBER 30, 2021

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget Positive (Negative)</u>
Revenues:				
Charges for services	\$ 45,000	\$ 45,000	\$ 64,485	\$ 19,485
Investment income	—	—	174	174
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>64,659</u>	<u>19,659</u>
Expenditures:				
General government				
Current				
Operating expenditures	35,000	35,000	887	34,113
Capital outlay	107,225	107,225	—	107,225
Court-related				
Current				
Operating expenditures	19,000	19,000	34,267	(15,267)
Capital outlay	89,775	89,775	—	89,775
Total expenditures	<u>251,000</u>	<u>251,000</u>	<u>35,154</u>	<u>215,846</u>
Excess (deficit) of revenues over (under) expenditures	<u>(206,000)</u>	<u>(206,000)</u>	<u>29,505</u>	<u>235,505</u>
Net change in fund balances	<u>(206,000)</u>	<u>(206,000)</u>	<u>29,505</u>	<u>235,505</u>
Fund balances - beginning	<u>206,423</u>	<u>206,423</u>	<u>206,423</u>	<u>—</u>
Fund balances - ending	<u>\$ 423</u>	<u>\$ 423</u>	<u>\$ 235,928</u>	<u>\$ 235,505</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance – budget to actual – general fund is an integral part of this schedule.

**FRANKLIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

**NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL-
GOVERNMENTAL FUNDS**

YEAR ENDED SEPTEMBER 30, 2021

(1) Budgetary Information:

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, the fine and forfeiture fund, and the records modernization trust fund. All annual appropriations lapse at fiscal year-end.

The Clerk follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America

SUPPLEMENTARY INFORMATION

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS**

SEPTEMBER 30, 2021

	<u>Jury</u>	<u>General Trust</u>	<u>Child Support</u>	<u>Registry of Court</u>	<u>Total Agency Funds</u>
Assets:					
Cash and cash equivalents	\$ —	\$ 62,035	\$ 761	\$ 136,233	\$ 199,029
Total assets	<u>\$ —</u>	<u>\$ 62,035</u>	<u>\$ 761</u>	<u>\$ 136,233</u>	<u>\$ 199,029</u>
Liabilities:					
Due to other funds	\$ —	\$ 37,086	\$ 54	\$ —	\$ 37,140
Due to other governments	—	10,937	73	—	11,010
Due to BOCC	<u>—</u>	<u>7,481</u>	<u>—</u>	<u>—</u>	<u>7,481</u>
Total Liabilities	<u>\$ —</u>	<u>\$ 55,504</u>	<u>\$ 127</u>	<u>\$ —</u>	<u>\$ 55,631</u>
Net Position:					
Restricted for:					
Other individuals and organizations	\$ —	\$ 6,531	\$ 634	\$ 136,233	\$ 143,398
Total net position	<u>\$ —</u>	<u>\$ 6,531</u>	<u>\$ 634</u>	<u>\$ 136,233</u>	<u>\$ 143,398</u>

**FRANKLIN COUNTY, FLORIDA - CLERK OF THE CIRCUIT COURT
 COMBINING SCHEDULE OF CHANGES OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS**

SEPTEMBER 30, 2021

	<u>Jury</u>	<u>General Trust</u>	<u>Child Support</u>	<u>Registry of Court</u>	<u>Total Agency Funds</u>
Additions:					
Court related	\$ 1,680	\$6,065,387	\$ 10,645	\$ 598,388	\$ 6,676,100
Total additions	<u>1,680</u>	<u>6,065,387</u>	<u>10,645</u>	<u>598,388</u>	<u>6,676,100</u>
Deductions:					
Court related payments	<u>1,680</u>	<u>6,058,856</u>	<u>10,331</u>	<u>520,978</u>	<u>6,591,845</u>
Total Deductions	<u>1,680</u>	<u>6,058,856</u>	<u>10,331</u>	<u>520,978</u>	<u>6,591,845</u>
Net change in fiduciary net position	—	6,531	314	77,410	84,255
Net position, beginning	<u>—</u>	<u>—</u>	<u>320</u>	<u>58,823</u>	<u>59,143</u>
Net position, ending	<u>\$ —</u>	<u>\$ 6,531</u>	<u>\$ 634</u>	<u>\$ 136,233</u>	<u>\$ 143,398</u>

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Michele Maxwell
Franklin County Clerk of the Circuit Court
Franklin County, Florida

We have audited, 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, the financial statements of the general fund of the Franklin County Clerk of Courts and Comptroller (the Office) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Franklin County Clerk of Courts and Comptroller's special-purpose financial statements, and have issued our report thereon dated June 15, 2022, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office's 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 special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Franklin County Clerk of Courts and Comptroller's 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 entity's 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Franklin County Clerk of Courts and Comptroller's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 noncompliance 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vance CPA LLC

Apalachicola, Florida
June 15, 2022

Vance CPA LLC

Vance CPA, LLC

Certified Public Accountant

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INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL

To the Honorable Michele Maxwell
Franklin County Clerk of the Circuit Court
Franklin County, Florida

We have audited the financial statements of the Franklin County Clerk of Courts and Comptroller (the Office), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated June 15, 2022.

Auditors' 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 Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose 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 June 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. Corrective actions have been taken to address all findings and recommendations made in the preceding financial audit report, if applicable.

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 Franklin County Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Franklin County, including the Office of the Clerk, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Franklin County Clerk of Courts and Comptroller to be disclosed as required by accounting principles generally accepted in the United States of America.

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 noncompliance 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, Federal and other granting agencies, the Franklin County Clerk of Courts and comptroller, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Vance CPA LLC

Apalachicola, Florida
June 15, 2022

Vance CPA, LLC

Certified Public Accountant

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INDEPENDENT AUDITORS' EXAMINATION REPORT

To the Honorable Michele Maxwell
Franklin County Clerk of the Circuit Court
Franklin County, Florida

We have examined the Franklin County Clerk of Courts and Comptroller's (the Office) compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, Section 28.35, Florida Statutes, Florida Clerks of Court Operations Corporation, Section 28.36, Florida Statutes, Budget Procedure, and Section 61.181, Florida Statutes, Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees (collectively, "the Statutes"), for the year ended September 30, 2021. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's 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 Office complied with the Statutes for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, 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.

In our opinion, the Franklin County Clerk of Courts and Comptroller complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

Vance CPA LLC

Apalachicola, Florida
June 15, 2022

Vance CPA LLC

**FRANKLIN COUNTY, FLORIDA – CLERK OF THE CIRCUIT COURT
MANAGEMENT’S RESPONSE TO MANAGEMENT LETTER**

SEPTEMBER 30, 2021

There are no comments which require management’s written response.