

Children's Services Council of Martin County

ANNUAL FINANCIAL REPORT

September 30, 2021

Children's Services Council of Martin County
ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2021

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REPORT OF INDEPENDENT AUDITORS

To the Council Members
Children's Services Council of Martin County
Stuart, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Children's Services Council of Martin County (the "Council") as of and for the year ended September 30, 2021, and the related notes to financial statements, which collectively comprise the Council's basic 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.

Auditor's Responsibility

Our responsibility is to express an opinion 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 opinion.

Fort Pierce / Stuart

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To the Council Members
Children's Services Council of Martin County

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund of the Council as of September 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 24, 2022 on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts. 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 Children's Services Council of Martin County internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 24, 2022

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended September 30, 2021**

Management's discussion and analysis of the financial statements for the Children's Services Council of Martin County (the "Council") provides a summary of the Council's activities for the fiscal year ended September 30, 2021. Management has prepared this Management Discussion and Analysis, and is responsible for the completeness and fairness of this information. This discussion and analysis should be read in conjunction with the accompanying financial statements.

The accompanying financial statements include all activities and functions for which the Council has direct oversight responsibility and all funds of the Council.

FINANCIAL HIGHLIGHTS

- The assets of the Council exceeded its liabilities at the close of the fiscal year by \$10,627,480 (net position). This compares to the previous fiscal year when assets exceeded liabilities by \$9,887,061. Of this amount, \$2,239,783 is restricted in the form of capital assets and the balance is available to be used to meet the Council's ongoing obligation to citizens and creditors.
- The Council's total net position increased \$740,419 from September 30, 2020 to September 30, 2021.
- The Council levies taxes through the TRIM (Truth In Millage) process. Section 200.065, Florida Statutes establishes the annual process to set millage rates. For the fiscal year ended September 30, 2021, the millage rate was .3618 mills which produced \$8,347,154 in tax revenues compared to the previous fiscal year when tax revenues levied were \$7,940,757. Thus, \$406,397 or 5.1% more in tax revenues was received in Fiscal Year 2020/21 compared to Fiscal Year 2019/20. The Council maintained the millage rate for 2020/21 staying within its .5 mill cap anticipating stabilization of countywide property values.
- The millage rate approved for the Fiscal Year ending September 30, 2022 remained set at .3618 and is estimated to provide \$405,659 or 4.86% more in ad valorem revenues in Fiscal Year 2021/22 than were received for Fiscal Year 2020/21, as a result of the anticipation of accelerated property values. The majority of the increased revenues were budgeted to be used to fund increased program services.
- The Council had Rental, and Interest and Other Income totaling \$48,548 as described below:
 - Interest income on bank accounts of \$9,425.
 - Rental income of \$38,764.
 - Other miscellaneous revenues of \$359.

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

FINANCIAL HIGHLIGHTS (CONTINUED)

- The total cost of the Council's grant allocations for the fiscal year ended September 30, 2021 was \$6,163,060. This cost represents expenditures on local service programs and compares to \$6,472,190 expended on local service programs for the fiscal year ended September 30, 2020.
- Pursuant to Governmental Accounting Standards Board Statement No. 54 ("GASB 54") the Council reports governmental fund balances as nonspendable, restricted, committed, assigned, or unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion is intended to serve as an introduction to the basic financial statements of the Children's Services Council. The Council's basic financial statements are comprised of three integral components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. Each of these components is discussed in further detail in the following paragraphs. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Council's finances in a manner similar to a private-sector business. The government-wide statements include all assets and liabilities and use the accrual basis of accounting, which provides for recording revenues when earned and recording expenses when a liability is incurred, regardless of the timing of related cash flows. The government-wide financial statements include the *Statement of Net Position* and the *Statement of Activities*. These government-wide financial statements complement rather than replace traditional fund-based financial statements.

The *Statement of Net Position* is used to report all that the Council owns (assets) and owes (liabilities). The Council's assets include financial resources such as cash and receivables. Also included are capital assets such as equipment and furniture. The Council's liabilities include vendor payables, grants payable, and obligations incurred in connection with the Council's operation (such as salaries payable and vacation leave/compensated absences payable). The difference between assets and liabilities is reported as *net position*.

The *Statement of Activities* presents information showing how the Council's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Financial Statements (Continued)

For financial reporting purposes, the Council is considered a special-purpose government engaged in a single governmental program. Thus, the Statement of Activities is presented utilizing the alternative format presenting a single column that reports expenses first followed by revenues.

In summary, the Statement of Net Position reports the Council's net position and the Statement of Activities reports the Council's changes in net position. The Council's net position (the difference between assets and liabilities) are one way to measure the Council's financial health or financial position. Over time, increases and decreases in the Council's net position are one indicator of whether financial health is improving or deteriorating. Other factors, such as changes in the Council's property tax base and the assessed millage rate will also, over time, help assess the overall financial health of the Council.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. *All of the funds of the Council are categorized as governmental funds.*

Governmental funds are used to report all of the Council's basic services. Governmental funds focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Governmental funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides.

The Council's governmental fund statements include the *Balance Sheet*, the *Statement of Revenues, Expenditures, and Changes in Fund Balance*, and the *Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual*.

The governmental fund *Balance Sheet* reports only the financial assets associated with governmental activities. Financial assets include cash as well as other assets that will convert to cash in the short term such as receivables and investments. Governmental funds do not report capital assets, such as equipment and furniture, because such assets will be used in operations rather than converted to cash and are therefore not spendable.

Liabilities are also recognized in governmental funds only to the extent that they are expected to affect a government's near-term financing needs. For example, the Council's liabilities for vacation leave and special termination benefits are not reported in governmental funds until the period when payment becomes due. The difference between assets and liabilities reported in a governmental fund is known as *fund balance*.

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

Fund balance is the net resources of a government and an approximate measure of liquidity. Governmental fund balances are reported in five categories as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balance includes amounts that are not available for spending such as prepaid items and long term investments. Restricted fund balance is the portion that reflects resources that are subject to externally enforceable legal restrictions such as creditors or grantors. Committed fund balances are self-imposed limitations and assigned fund balances are set for an intended use; both of these fund balances may only be modified or rescinded by the governing ten-member Council by resolution. Unassigned fund balance is the portion of fund balance representing the amount that is not nonspendable, restricted, committed, or assigned. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The categorization of fund balance is intended to provide information useful to the financial statement reader in assessing the government's resource allocation plans.

The governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balance* is used to report all transactions, events, and interfund activity that increase or decrease fund balances.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund *Balance sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balance* provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Notes to Financial Statements

The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Budgetary Information

The budget is prepared and adopted after public hearings, pursuant to Section 200.065, Florida Statutes.

The General Fund budget exceeded actual expenditures mostly because there were less grant expenditures than were anticipated.

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Financial Highlights:

The following are the highlights of financial activity for the year ended September 30, 2021.

- The Council's total assets exceeded total liabilities by \$10,627,480 (net position). Net investment in capital assets was \$2,239,783. Unrestricted net position was \$8,387,697.
- General revenues and program revenues totaled \$8,501,129, while general government and human services expenses totaled \$7,760,710.

Financial Analysis of the Council

The following schedule provides a summary of the assets, liabilities and net position of the Council.

	Net Position	
	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 9,645,946	\$ 8,773,630
Capital assets, net of depreciation	2,239,783	2,283,402
Total Assets	<u>11,885,729</u>	<u>11,057,032</u>
Current liabilities	1,190,536	1,116,489
Non-current liabilities	67,713	53,482
Total Liabilities	<u>1,258,249</u>	<u>1,169,971</u>
Net position - net investment in capital assets	2,239,783	2,283,402
Net position-unrestricted	<u>8,387,697</u>	<u>7,603,659</u>
Total Net Position	<u>\$ 10,627,480</u>	<u>\$ 9,887,061</u>

The increase in current assets and net position-unrestricted is primarily the result of revenues in excess of expenditures at the fund level.

The decrease in capital assets and net investment in capital assets is primarily due to depreciation in the current year.

The increase in current liabilities is primarily the result of an increase in grants payable due to the timing of reimbursement request submissions.

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

The following schedule provides a summary of the changes in net position of the Council.

	2021	2020
Change in Net Position		
Revenues		
Program revenues		
Operating grants and contributions	\$ 105,427	\$ 89,706
General Revenues		
Property taxes	8,347,154	7,940,757
Other general revenues	48,548	115,649
Total Revenues	8,501,129	8,146,112
Expenses		
General government	1,166,688	1,304,167
Human services	6,594,022	6,910,960
Total Expenses	7,760,710	8,215,127
Change in Net Position	740,419	(69,015)
Net Position - Beginning of Year	9,887,061	9,956,076
Net Position - End of Year	\$ 10,627,480	\$ 9,887,061

The increase in property taxes is due to the overall increase and stabilization in countywide property values with the Council maintaining its millage rate.

The decrease in other general revenues is primarily due to a decrease in interest earned from the bank.

The decrease in general government is mostly due to a decrease in repairs and maintenance expenditures in the current year.

The decrease in human services is primarily due to the timing and amount of reimbursement request submissions.

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the Council's capital assets as of September 30, 2021 and 2020:

Description	2021	2020
Furniture and equipment	\$ 417,167	\$ 376,733
Building	2,145,390	2,145,390
Land	535,410	535,410
Accumulated depreciation	(858,184)	(774,131)
Total Capital Assets (Net)	<u>\$ 2,239,783</u>	<u>\$ 2,283,402</u>

At the end of 2021, the Council had \$2,239,783 invested in capital assets including furniture and equipment, building, and land. This amount represents a net decrease (including additions) of \$43,619, or 1.9 percent less than last year.

ECONOMIC FACTORS, NEXT YEAR'S BUDGET AND TAX RATES

The Council is responsible for and takes considerable care in setting the budget and the tax rate each fiscal year. This task involves determining community needs and anticipating ad valorem tax revenues.

The Council periodically performs formal needs assessments to determine community need. Need, however, is inherently learned in daily communication with funded programs and involvement by Council and staff in community organizations and initiatives. Anticipating ad valorem tax revenues is complex and requires attention to the local economy, the improvement of property in the community, and communication with the property appraiser. Ad Valorem revenues for the fiscal year reported herein indicate stabilized and increasing property values. A change in the current economic climate is difficult to predict. However, it is hopeful that Ad Valorem revenues at the current millage rate continue to improve in the near future years. The Council has maintained the provision of children's services through its funded programs. The Council is committed to continue funding children's programs. Maintenance and enhancement of programming in future years will be dependent on the availability of funds from annual revenue streams and reserves.

**Children's Services Council of Martin County
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

ECONOMIC FACTORS, NEXT YEAR'S BUDGET AND TAX RATES (CONTINUED)

The Council approved a budget utilizing a .3618 millage rate for the fiscal year ending September 30, 2022. This rate remains unchanged from the rate levied for the fiscal year ended September 30, 2021. It is anticipated that the .3618 millage rate will provide \$405,659 or 4.86% more in revenues in Fiscal Year 2021/22 than was received for Fiscal Year 2020/21.

The Council will need to continue its vigilance in assessing needs and resources in the community. While the Council has the authority to assess up to .5 mills, the current millage rate of .3618 leaves little flexibility in resources by way of increasing the millage rate.

The Children's Services Council operates in accordance with Chapter 125.901 of the Florida Statutes.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances of the Children's Services Council of Martin County. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Children's Services Council of Martin County; 101 SE Central Parkway, Stuart, Florida 34994. Further information about the Children's Services Council of Martin County can be found on the Council website: www.cscmc.org.

Children's Services Council of Martin County
STATEMENT OF NET POSITION
September 30, 2021

ASSETS

Current Assets

Cash and cash equivalents	\$ 9,541,732
Receivables	92,646
Other assets	11,568
Total Current Assets	9,645,946

Non Current Assets

Capital assets depreciated, net of accumulated depreciation (\$858,184)	2,239,783
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Total Assets	11,885,729
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LIABILITIES

Current Liabilities

Accounts payable and accrued liabilities	52,099
Grants payable	1,071,769
Deferred revenues	366
Current portion of accrued compensated absences	66,302
Total Current Liabilities	1,190,536

Non-current liabilities:

Accrued compensated absences, due in more than one year	67,713
Total Liabilities	1,258,249

NET POSITION

Net investment in capital assets	2,239,783
Unrestricted	8,387,697

Total Net Position	\$10,627,480
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See notes to financial statements.

Children's Services Council of Martin County
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Expenses		
General government		\$ (1,166,688)
Human services		(6,594,022)
Total expenses		<u>(7,760,710)</u>
Program revenues		
Operating grants and contributions		105,427
Net program expense		<u>(7,655,283)</u>
General revenues		
Ad Valorem taxes		8,347,154
Rental income		38,764
Interest and other income		9,784
Total general revenues		<u>8,395,702</u>
Change in Net Position		740,419
Net Position - October 1, 2020		<u>9,887,061</u>
Net Position - September 30, 2021		<u><u>\$ 10,627,480</u></u>

See notes to financial statements.

Children's Services Council of Martin County
BALANCE SHEET – GENERAL FUND
September 30, 2021

ASSETS	
Cash and cash equivalents	\$ 9,541,732
Receivables	92,646
Prepaid expenses	<u>11,568</u>
Total Assets	<u><u>\$ 9,645,946</u></u>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 52,099
Deferred revenues	366
Grants payable	<u>1,071,769</u>
Total Liabilities	<u>1,124,234</u>
 Fund Balances:	
Nonspendable:	
Prepaid items	11,568
Assigned:	
Grants carryover to fiscal year 2022	7,743,731
Maintenance reserve	362,183
Operating reserve	379,726
Fiscal stabilization	<u>24,504</u>
Total Fund Balances	<u>8,521,712</u>
Total Liabilities and Fund Balances	<u><u>\$ 9,645,946</u></u>

See notes to financial statements.

Children's Services Council of Martin County
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021

Reconciliation of the Balance Sheet of Government Funds to the
Statement of Net Position

Total fund balances - governmental funds	\$ 8,521,712
Net capital assets are not financial resources and, therefore, are not reported in governmental funds	2,239,783
Accrued compensated absences are not due and payable in the current period and are not reported in governmental funds	<u>(134,015)</u>
Net Position of Governmental Activities	<u><u>\$ 10,627,480</u></u>

See notes to financial statements.

Children's Services Council of Martin County
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GENERAL FUND
For the Year Ended September 30, 2021

	General
Revenues:	
Ad Valorem taxes	\$ 8,347,154
Intergovernmental revenues	105,427
Rental income	38,764
Interest and other income	9,784
Total Revenues	8,501,129
Expenditures:	
Current:	
General government	1,076,692
Human services	6,594,022
Capital outlay	40,434
Total Expenditures	7,711,148
Net change in fund balance	789,981
Fund Balances - October 1, 2020	7,731,731
Fund Balances - September 30, 2021	\$ 8,521,712

See notes to financial statements.

Children's Services Council of Martin County
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balance of Governmental Funds to the Statement of Activities

Net change in fund balance of governmental funds	\$ 789,981
Governmental funds report capital outlay as an expenditure. In the Statement of Activities the cost of certain assets are allocated over their estimated useful lives and reported as depreciation. This is the amount that capital outlay (\$40,434) was less than depreciation (\$(84,053)) in the current period.	(43,619)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include the net increase in the compensated absences.	<u>(5,943)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 740,419</u></u>

See notes to financial statements.

Children's Services Council of Martin County
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
GENERAL FUND – BUDGET AND ACTUAL
For the Year Ended September 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Ad Valorem taxes	\$ 8,328,227	\$8,328,227	\$ 8,347,154	\$ 18,927
Intergovernmental revenues	33,000	33,000	105,427	72,427
Rental income	20,000	20,000	38,764	18,764
Interest and other income	121,500	121,500	9,784	(111,716)
Total Revenues	<u>8,502,727</u>	<u>8,502,727</u>	<u>8,501,129</u>	<u>(1,598)</u>
EXPENDITURES				
Current:				
General government	1,154,885	1,154,885	1,076,692	78,193
Human services	12,168,102	12,168,102	6,594,022	5,574,080
Capital outlay	20,000	20,000	40,434	(20,434)
Total Expenditures	<u>13,342,987</u>	<u>13,342,987</u>	<u>7,711,148</u>	<u>5,631,839</u>
Excess of revenues over/(under) expenditures	(4,840,260)	(4,840,260)	789,981	5,630,241
Fund Balances - October 1, 2020	<u>4,864,857</u>	<u>4,864,857</u>	<u>7,731,731</u>	<u>2,866,874</u>
Fund Balances - September 30, 2021	<u>\$ 24,597</u>	<u>\$ 24,597</u>	<u>\$ 8,521,712</u>	<u>\$ 8,497,115</u>

See notes to financial statements.

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Children's Services Council of Martin County (the "Council") is a special independent taxing district established under County Ordinance 348 in 1988 to improve the quality of life for all children in Martin County; its boundaries being coterminous with those of the county. The Council is governed by a ten-member Council which consists of the Superintendent of Schools, a local School Board member, the District XV Administrator from the Florida Department of Children and Families or his designee; one member of the Board of County Commissioners, and the Judge assigned to juvenile cases. The remaining five members are appointed by the Governor for four-year terms. The Council operates in accordance with Section 125.901, Florida Statutes.

The Council follows the standards promulgated by GASB Codification Section 2100, *Defining the Financial Reporting Entity*. The accompanying financial statements include all operations over which the Council is financially accountable.

The Council provides funding to various agencies, however, each agency is financially independent. The Council has no authority to appoint or hire management of the agencies nor does it have responsibility for routine operations of the agencies. Based upon application of these factors, the Council has concluded that it has no financial oversight responsibility for the various agencies and, therefore, their financial statements are excluded from the reporting entity. The Council has not identified any component units and is not a participant in any joint ventures.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Council.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds.

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Ad valorem taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Council reports the following major governmental fund:

General Fund: The government's primary operating fund. It accounts for all financial resources of the general government.

Budgets and Budgetary Accounting

The budget is prepared and adopted after public hearings, pursuant to Section 200.065 of the Florida Statutes. The budget was adopted by the Council for the General Fund for the period October 1, 2020 through September 30, 2021 utilizing generally accepted accounting principles. Throughout the year, there were Council approved budget transfers.

Capital Assets

Capital assets (property and equipment) are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Property and equipment of the Council is depreciated using the straight line method over the estimated useful lives of five to ten years for equipment and buildings for 39 years.

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Property taxes for the current year were assessed and collected by the Martin County Tax Collector and subsequently remitted to the Council. Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1. Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit Children's Services Councils to levy property taxes at a rate of up to .5 mills (\$.50 per \$1,000 of assessed taxable valuation). The millage rate assessed by the Council for the year ended September 30, 2021 was .3618 mills.

The tax levy of the Council is established by the Council prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the tax levy, for the County. All property is reassessed according to its fair market value as of January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of state statutes.

All real and tangible personal property taxes are due and payable on November 1 each year, or as soon as practicable thereafter as the assessment roll is certified by the County Property Appraiser. The County mails to each property owner on the assessment roll a notice of the taxes due and the County also collects the taxes for the Council. Taxes may be paid upon receipt of such notice from the County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which the taxes were assessed. Procedures for the collection of delinquent taxes by the County are provided for in the laws of Florida. There were no material delinquent property taxes at September 30, 2021.

Grants and Grants Payable

The Council provides coordination, evaluation and funding of various programs for children which are administered by organizations throughout Martin County, Florida. Once the Council decides to fund a program, the Council executes a grant agreement with an administering organization (grantee). The grantee can then request cost reimbursements up to the total amount of the executed grant agreement on a monthly basis during the term of the grant as defined in the executed grant agreement. The grants payable at September 30, 2021 represents cost reimbursement requests submitted by grantees for costs incurred prior to September 30, 2021. No grants payable are recorded for amounts awarded through executed grant agreements for which cost reimbursement requests have not been made by grantees as of September 30, 2021.

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

All regular employees accrue one sick day per month. Employees with up to five years of service accrue one vacation day per month. Those exceeding five years of service accrue up to 1.25 days per month and employees with over ten years accrue up to 1.67 days per month. In the event of termination, an employee is reimbursed for a percentage of unused sick leave and any unused accumulated vacation leave up to a maximum of 30 days.

Cash and Cash Equivalents

Cash and cash equivalents, which are cash and short-term investments with maturities of three months or less, include cash on hand and in banks, repurchase agreements and cash placed with the State Treasurer's investment pool.

Governmental Fund Balance

The Council adopted a Fund Balance Policy to comply with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Governmental fund balances are now reported as non-spendable, restricted, committed, assigned and unassigned.

- Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
- Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- Committed Fund Balance – Amounts that can only be used for specific purposes pursuant to the constraints imposed by a formal action of the government's highest level of decision-making authority. Only the governing ten member council may modify or rescind a fund balance commitment, by resolution.
- Assigned Fund Balance – Amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The authority to assign fund balance lies with the Council, the budget committee, or an official who has been given the authority to assign funds.
- Unassigned Fund Balance – The residual classification for the General Fund resources. This classification represents fund balances that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for a governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Balance (Continued)

Fund Balance Spending Hierarchy – When restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

NOTE B – DEPOSITS AND INVESTMENTS

Statement of Policy

The purpose of the Council's investment policy is to set forth the investment objectives and parameters for the management of public funds, the availability of operating funds when needed, and an investment return competitive with market rates.

The Council's policy is written in accordance with Section 218.415, Florida Statutes, which applies to funds under control of local governments and special districts. The policy and any subsequent revisions are approved by the Council Members.

Deposits

Banks qualified as public depositories under Florida law hold cash deposits of the Council. In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. As of September 30, 2021, the Council's bank balance was \$4,436,333 and the carrying value was \$4,431,120.

The cash balance of the Council also included \$5,110,612 at September 30, 2021 in Florida Prime, a Securities and Exchange Commission Rule 2a-7 like external investment pool, similar to money market funds. Florida Prime is rated AAAM by Standard and Poors, and had a weighted average days to maturity of 48 days at September 30, 2021.

Investments

The Council's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. Among other investments, the policy allows the Council to invest in repurchase agreements and the State Board of Administration Local Government Surplus Trust Funds, which are the only two vehicles the Council is currently utilizing.

Cash placed with the State Board of Administration represents the Council's participation in the Local Government Surplus Trust Funds Investment Pool (Florida Prime) and is reported at fair value. As a pool participant the Council invests in pools of investments in which shares are owned in the pool rather than the underlying investments.

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

The Council categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Council uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the Council's own data in measuring unobservable inputs.

As of September 30, 2021, the Council did not hold any investments that meet the criteria described above.

Interest Rate Risk

The Council does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Council's investment policy limits its investments to high quality investments to control credit risk.

Custodial Credit Risk

For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Council will not be able to recover the value if its investment or collateral securities that are in possession of an outside party. The Council's investment in repurchase agreements is held by the investment's counterparty and not in the name of the Council.

NOTE C – RECEIVABLES

The majority of receivables are due from other governmental and grantee agencies. The Council has determined that an allowance for doubtful accounts is not necessary.

Receivables at September 30, 2021 consisted of the following:

Excess fees from tax collector and property appraiser	\$ 76,978
Other receivables	15,668
Total Receivables	<u>\$ 92,646</u>

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – CHANGES IN CAPITAL ASSETS

A summary of changes in Capital Assets follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Non-Depreciable Assets:				
Land	\$ 535,410	\$ -	\$ -	\$ 535,410
Total Non-Depreciable Assets	<u>535,410</u>	<u>-</u>	<u>-</u>	<u>535,410</u>
Depreciable Assets:				
Furniture and equipment	376,733	40,434	-	417,167
Buildings	2,145,390	-	-	2,145,390
Total Depreciable Assets	<u>2,522,123</u>	<u>40,434</u>	<u>-</u>	<u>2,562,557</u>
Less accumulated depreciation for:				
Furniture and equipment	(306,547)	(29,043)	-	(335,590)
Buildings	(467,584)	(55,010)	-	(522,594)
Total Accumulated Depreciation	<u>(774,131)</u>	<u>(84,053)</u>	<u>-</u>	<u>(858,184)</u>
Capital Assets, Net	<u>\$ 2,283,402</u>	<u>\$ (43,619)</u>	<u>\$ -</u>	<u>\$ 2,239,783</u>

Depreciation expense of \$84,053 was charged to General Government for the year ended September 30, 2021.

NOTE E – NON-CURRENT LIABILITIES

A summary of changes in Non-Current Liabilities follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$ 128,072</u>	<u>\$ 73,587</u>	<u>\$ 67,644</u>	<u>\$ 134,015</u>	<u>\$ 66,302</u>

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE F – OPERATING LEASE COMMITMENTS

The Council leases one copier and a stamping machine under operating leases. The lease term for the copier is 60 months beginning June 2021 and requires monthly lease payments of \$425. The lease term for the stamping machine is 48 months beginning October 2017 and requires monthly lease payments of \$64. Equipment rental of \$6,942, was expensed for the year ended September 30, 2021, of which the entire amount related directly to the non-cancelable operating leases. Future minimum lease payments by fiscal year are as follow:

<u>Year Ending, September 30,</u>	<u>Copier</u>	<u>Stamp Machine</u>	<u>Total</u>
2022	\$ 5,100	\$ 64	\$ 5,164
2023	5,100	-	5,100
2024	5,100	-	5,100
2025	5,100	-	5,100
2026	3,400	-	3,400
Totals	<u>\$ 23,800</u>	<u>\$ 64</u>	<u>\$ 23,864</u>

NOTE G – RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council purchases commercial insurance coverage to cover the various risks. There have been no significant reductions in insurance coverage and there were no settled claims which exceeded insurance coverage in the last three years.

NOTE H – COMMITMENTS AND CONTINGENCIES

At September 30, 2021, the Council had tentatively approved funding for next year's programs in the amount of \$7,743,731.

The budget of the property appraiser's office, as approved by the Department of Revenue, is the basis upon which taxing authorities of the County (except municipalities and the district school board) are billed by the property appraiser for services rendered. Each taxing authority is billed an amount that bears the same proportion to the total amount of the budget as its share of ad valorem taxes bore to the total levied for the preceding year. The Council paid fees of \$76,434 to the Property Appraiser for the year ended September 30, 2021.

The tax collector's actual costs of collection must not exceed 2% of the tax revenues collected. The Council's charges for the year amounted to \$90,818 or 1.1% of tax revenues collected.

CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE K – BOARD-ASSIGNED FUND BALANCE

The Council has conducted a study to estimate the future cost of potential major repairs and replacements that may be required. Based on that study, the Council has assigned fund balance as follows as of September 30, 2021:

Assigned - roof replacement	\$ 129,351
Assigned - air conditioner	139,864
Assigned - parking lot	92,968
Assigned Maintenance Reserve	<u>\$ 362,183</u>

The assigned fund balance for operating reserves is based on three months of operations as listed in the subsequent years budget and totaled \$379,726 at September 30, 2021.

The assigned fund balance for fiscal stabilization is to provide for the projected expenditures in excess of projected revenues for the next three years and is limited to \$24,504 at September 30, 2021.



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INDEPENDENT AUDITORS' 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

To the Council Members
Children's Services Council of Martin County
Stuart, 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 governmental activities and each major fund of Children's Services Council of Martin County (the "Council"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated January 24, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Children's Services Council of Martin County's internal control as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Children's Services Council of Martin County's internal control. Accordingly, we do not express an opinion on the effectiveness of Children's Services Council of Martin County'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 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 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.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

To the Council Members
Children's Services Council of Martin County
Stuart, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Children's Services Council of Martin County's financial statements are free of 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 determination of financial statement amounts. 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.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 24, 2022



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MANAGEMENT LETTER

To the Council Members
Children's Services Council of Martin County
Stuart, Florida

Report on the Financial Statements

We have audited the financial statements of the Children's Services Council of Martin County as of and for the year ended September 30, 2021, and have issued our report thereon dated January 24, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; 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 Florida Auditor General.

Other Reporting Requirements

We have issued our 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* 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 January 24, 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 address in the Management Letter, if not already addressed in the auditor's report on compliance and internal controls, whether or not recommendations made in the preceding annual financial report have been followed. There were no recommendations made in the preceding audit report.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedures and communicate the results of our determination as to whether or not Children's Services Council of Martin County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific conditions met. In connection with our audit, we determined that the Children's Services Council of Martin County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Fort Pierce / Stuart



To the Council Members
Children's Services Council of Martin County

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2021 for Children's Services Council of Martin County. It is management's responsibility to monitor the Children's Services Council of Martin County's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2021.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

The information below was provided by management and has not been audited by us; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, Children's Services Council of Martin County reported:

- 1) The total number of council employees compensated in the last pay period of the Council's fiscal year: 12
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Council's fiscal year: The Council did not pay nonemployee independent contractors in September 2021.
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: Total Salary = \$784,867.69 / Total Salary, Taxes and Benefits = \$1,099,065
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: The Council did not pay any nonemployee independent contractors in Fiscal Year 2021.
- 5) Each construction project with a total cost of at least \$65,000 approved by the Council that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The Council has no construction projects at this time.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: Actuals did not go over original adopted budget for Fiscal Year 2021. There were no amendments to the original adopted budget.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, Children's Services Council of Martin County reported:

- 1) The mileage rate of ad valorem special assessments imposed by the Council as: .3618
- 2) The total amount of ad valorem special assessments collected by or on behalf of the Council as: The Council collected total special assessments of \$8,347,154.
- 3) The total amount of outstanding bonds issued by the Council and the terms of such bonds: N/A – no outstanding bonds.



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To the Council Members
Children's Services Council of Martin County

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 have 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 Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 24, 2022



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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

To the Council Members
Children's Services Council of Martin County
Stuart, Florida

We have examined Children's Services Council of Martin County's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management is responsible for Children's Services Council of Martin County's compliance with those requirements. Our responsibility is to express an opinion on Children's Services Council of Martin County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, including examining, on a test basis, evidence about Children's Services Council of Martin County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Children's Services Council of Martin County's compliance with the specified requirements.

In our opinion, Children's Services Council of Martin County complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

*Berger Toombs Elam
Gaines & Frank*
Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 24, 2022

Fort Pierce / Stuart