

Leon County, Florida
Response to GFOA "Summary of Grading Results" – Report #982039
For the Year Ended September 30, 1999

Comment #314— (Pages B31 and B33) — The amount of any excess expenditures over appropriations in individual funds must be reported within the general purpose financial statements (including notes thereto) if they are to be liftable.

Response — With respect to JTPA expenditures in excess of appropriations of \$21 we did not consider this to be a material instance of non-compliance and therefore this instance was not disclosed in the note to the financial statements. For future reporting purposes, all material instances of non-compliance will be disclosed. With respect to the Sheriff special revenue fund expenditures in excess of appropriations of \$207,507, page A-46 of the notes to the financial statements state that the Sheriff does not formally budget for County Court fees and related law enforcement training expenditures in the special revenue fund.

Comment #629 — (Page A20) — If applicable, clearly disclose what criteria in GASB statement 31 certain investments have met to be reported at amortized cost.

Response — When the County adopted the provisions of GASB 31, the carrying value of investments were properly stated at fair value and appropriate disclosures were made of the adoption of this standard. However, the investment policy disclosure was inadvertently unchanged. This has been corrected for the September 30, 1999 CAFR.

Comment #6— (Pages A-9 and A-1) — Include Restricted cash in the enterprise fund.

Response — Because restricted cash in the enterprise funds are not available for use in current operations these amounts have been excluded from the beginning and ending cash balances on the statement of cash flows. This has been disclosed in the Cash section of Note 3 on page A-25 and has been continued on the current year CAFR.

Comment #337 (page A8) — Operating interfund transfers should be reported in a separate classification after the reported income or loss before operating interfund transfers in the statement of revenues, expenses and changes in retained earnings.

Response — This comment has been corrected on the 9/30/99 CAFR.

Comment #628 — The government should provide information regarding the change in the fair value of investments that are not cash and cash equivalents in the schedule of noncash activities to the statement of cash flows.

Response — This comment has been corrected on the 9/30/99 CAFR.

Comment #63 — Consider including a schedule of general fixed assets by function and activity within the financial section if it is not included in the notes to the financial statements. If data is not available for older fixed assets, present all prior year's data as one amount and begin segregating current year data thereafter.

Response — At this time we do not feel the cost and effort associated with gathering this information will exceed the benefits of having this information presented in the comprehensive annual financial report. With the issuance of GASB 34 significant changes will need to be made with respect to the reporting and accounting for fixed assets. We are in the process of gathering this information for the new reporting model.

Comment #104 — Consider including a schedule of general fixed assets by source within the financial section, if not included in the notes to the financial statements. If data is not available for older fixed assets, present all prior years' data as one amount and begin segregating current year data thereafter.

Response — Same as to comment number 63.

Comment #312 — Consider including a schedule of changes in general fixed assets by function and activity within the financial section, if not included in the notes to the financial statements. If data is not available for older fixed assets, present all prior years' data as one amount and begin segregating current year data thereafter.

Response — Same as to comment number 63.

Comment #701 — (page A27) — GASBS 31 has replaced the term “market value” with “fair value” for investments.

Response — The terminology referred to in this comment has been changed on the 9/30/99 CAFR.

Comment #509 (page A-20) — It is unclear why the county discloses that investments are stated at cost, since they appear to be reported at fair value.

Response — This has been corrected on the 9/30/99 CAFR, see the response to comment number 628.

Comment #396 (pages A3-A4 and A8) — The total of operating transfers in and out between the various funds cannot be reconciled. A note to the financial statements reconciling the amounts is therefore necessary.

Response — We believe the operating transfers in and out do reconcile as follows:

Total transfers in – page A-4	50,067,346
Total transfers out – page A-4	(49,731,951)
Total transfers out – page A8	<u>(335,395)</u>
Unreconciled difference	—