



# 2019



# THE STATE OF OUR UNION

POPULAR ANNUAL FINANCIAL REPORT  
YEAR ENDED SEPTEMBER 30, 2019  
UNION COUNTY, FLORIDA

Kellie Hendricks Connell, CPA  
Clerk of Courts & County Comptroller  
[www.UnionClerk.com](http://www.UnionClerk.com)



# TABLE OF CONTENTS

Message from the Clerk.....	2
Demographics.....	3
Our Union County.....	4
Board of County Commissioners.....	5
Constitutional Officers.....	6
Key Financial Indicators.....	7
Our County Highlights for 2019 .....	8
Property Taxes.....	9
Our Tax Cycle.....	10
Statement of Net Position.....	11
Statement of Activities.....	12
Where Our Money Comes From.....	13
Where Our Money Goes.....	14
Economic Outlook.....	15
Our County History.....	16
Principal Taxpayers & Employers.....	17
Role of the Clerk.....	18

*Designed By: The NET Group*  
*Photography By: Josh Haltam Photography*



# MESSAGE FROM THE CLERK



**A Message From**  
**Kellie Hendricks Connell, CPA**  
**Clerk of the Circuit Court and**  
**County Comptroller**

**55 West Main Street, Room 103**  
**Lake Butler, FL 32054**  
**Phone: (386) 496-3711**  
**[www.UnionClerk.com](http://www.UnionClerk.com)**

## TO THE PEOPLE OF UNION COUNTY:

I am excited to present The State of Our Union, the first Popular Annual Financial Report for Union County, Florida for the fiscal year ended September 30, 2019.

The people of Union County have a hometown pride that can only be understood by being a part of it. When we talk to others, the people of Union County happily announce that we are the smallest county in the state. (In land size, with 249 square miles, we are the smallest!)

Our Union County finance team has assembled this information as part of our commitment to providing you, the citizens, accurate, useful and easy to understand information about your government and hard-earned tax dollars. Throughout this report, you will find information about the checks and balances of County government, history of Union County, demographic and financial information. Many large counties produce this report every year, which has requirements set by the Government Finance Officers Association. We aspire to maintain our hometown pride, where we know our neighbors, and also achieve the same quality of governmental transparency as larger counties.

The information contained in this report comes from a broader and more detailed report, the 2019 Comprehensive Annual Financial Report (CAFR). This report includes audited financial statements, and was prepared in accordance with Generally Accepted Accounting Principles. If you would like more detailed information, you can find the CAFR on the Clerk's website: [www.unionclerk.com](http://www.unionclerk.com).

On behalf of the professionals that I am blessed to work with, it is our privilege to serve you!

Sincerely,

**Kellie Hendricks Connell, CPA**  
**Clerk of the Circuit County & County Comptroller**



**RANK IN POPULATION** **PER CAPITA INCOME**  
65TH (EXCLUDING INMATES) \$22,227

**RANK IN LAND SIZE**  
67TH

**POPULATION**

TOTAL POPULATION: 14,940  
INMATE POPULATION: 4,682

**SCHOOL ENROLLMENT**

2,272 ENROLLED IN 2019

**ANNUAL COUNTY BUDGET**

\$17.6 MILLION

**MEDIAN AGE**

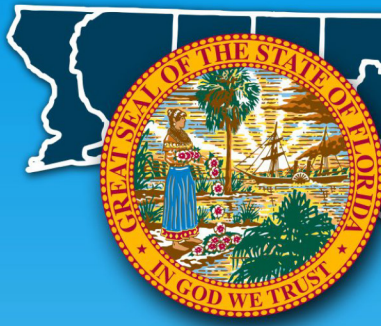
39.5

**UNEMPLOYMENT RATE**

3.0% UNEMPLOYED

**OUR UNION COUNTY  
DEMOGRAPHICS**





# Our UNION County

LAKE BUTLER • WORTHINGTON SPRINGS • RAIFORD • PALESTINE • PROVIDENCE

Located in North Central Florida, Union County has a population of just under 15,000 residents. It's economy relies on agriculture, timber, trucking and the Florida Department of Corrections. The Union County School System is comprised of one high school, one middle school, one elementary school, an alternative school and adult education. With an "A" ranked school district, state-of-the-art emergency management, in-county health services and a user friendly library, Union County is a great place to live and raise a family.

## **Our Mission:**

*To provide quality growth of our community in a personal, responsive, and innovative manner, to instill leadership necessary to advance a safe and sustainable community, maintain a high quality of life, operate in a manner that is worthy of public trust, respect our rural heritage, and to protect our natural environment for present and future generations.*

## **Our Vision:**

*An innovative, cost effective government, committed to a high quality of life, uphold core values, strive for excellence in public service and be the county people are proud to live, work and raise a family in.*

## **Core Values:**

*Honesty, Integrity, Transparency, Service, Accountability, Efficiency, Consistency, Respect, Knowledge, Stewardship, Collaboration, Self-Initiating, Self-Correcting*



# Board of County Commissioners



**Chair**  
Karen Cossey,  
District 1



**Vice Chair**  
Channing Dobbs,  
District 2



Jimmy Tallman,  
District 3



Lacey Cannon,  
District 4



Willie Croft,  
District 5

## Our Government

The Florida Constitution lays out the format for County government, including the officials elected in each county, and their responsibilities and authorities. The Board of County Commissioners is the legislative branch of County government. Commissioners are elected for representation of the citizens in each of five districts throughout the County. The Board is responsible for adopting local laws (called Ordinances), establishing policy, administration and management of the County, setting the budget each year, and development of the Comprehensive Plan and Land Development Regulations. Board members also serve with commissioners from other counties on many local, regional and state boards to maintain a cooperative effort between neighboring government agencies.

Florida's Sunshine Law is meant to maintain transparency in government, and requires the Board to only make decisions in a public meeting. While beneficial, it brings legal challenges for managing day-to-day operations.

In 2019, the Board hired a County Coordinator to be responsible for implementing and executing the policies, ordinances and budget adopted by the board; and to oversee the day-to-day operations of numerous county departments to ensure the county operates effectively and efficiently, and in accordance with the Board's direction.

## Financial Checks and Balances

The fiscal responsibility for Union County is shared by the Board of County Commissioners and the Clerk of the Circuit Court & County Comptroller. The Board and Clerk & Comptroller are separately elected and vested with separate powers, according to the Florida Constitution and Laws of Florida. This separation of power provides checks and balances within the County government to help safeguard the assets of Union County.

The Board is responsible for adopting an annual budget for all departments under the commissioners. The budget is prepared by the Clerk of the Circuit Court & County Comptroller based on the Board's direction, and presented to the Board for approval. The budget governs expenditures by the departments.

The Clerk of the Circuit Court & County Comptroller disburses all funds and pre-audits every expenditure prior to payment to ensure that all expenditures are legal, budgeted and in compliance with County policies and procedures adopted by the Board.



# Our Union County Constitutional Officers



**Kellie Hendricks Connell**  
Clerk & Comptroller



**Lisa Johnson**  
Tax Collector



**Brad Whithead**  
Sheriff



**Debbie Osborne**  
Supervisor of Elections



**Bruce Dukes**  
Property Appraiser

## **Clerk of the Circuit Court & Comptroller:**

The Clerk of the Circuit Court & Comptroller is an elected office established according to the Florida Constitution for the purpose of serving the citizens of each county as a public trustee. As an elected official, the Clerk of the Circuit Court helps provide for the system of “checks and balances” that is the very foundation of the American form of government.

The goal of the Union County Clerk’s Office is to efficiently and effectively perform as clerk of the Circuit and County Courts, Clerk to the Board of County Commissioners, Recorder and Guardian of Public Records, Treasurer, Auditor and Custodian of all county funds.

The Office of the Clerk of the Circuit Court envisions earning the public trust through leadership in its diverse role as Clerk to the Courts, Guardian of Public Records and Auditor of the Public Resources and Systems. The Clerk’s Office will be an advocate for people in need of access to public resources and records, and we will provide an efficient, friendly and professional work force prepared to meet changing customer needs. The Clerk’s Office will safeguard and enhance resources through strong internal audits and effective investment strategies and serve as a watchdog of county funds.

## **Tax Collector:**

Services provided at the Tax Collector’s Office include collecting property tax payments, issuing drivers licenses, vehicle registrations, hunting and fishing licenses and processing concealed weapons permits.

## **Sheriff:**

The Sheriff’s Office is responsible for defending the Constitution of the U.S. and Florida, enforcing all laws, and bringing to justice those who violate them.

## **Supervisor of Elections:**

The Supervisor of Elections Office is responsible for conducting secure elections, maintaining accurate registration records, providing voter education, encouraging voter participation, and judiciously expending taxpayer dollars.

## **Property Appraiser:**

It is the statutory responsibility of the Property Appraiser’s office to list, discover, and appraise all real and tangible properties within the County every year and to administer exemptions.

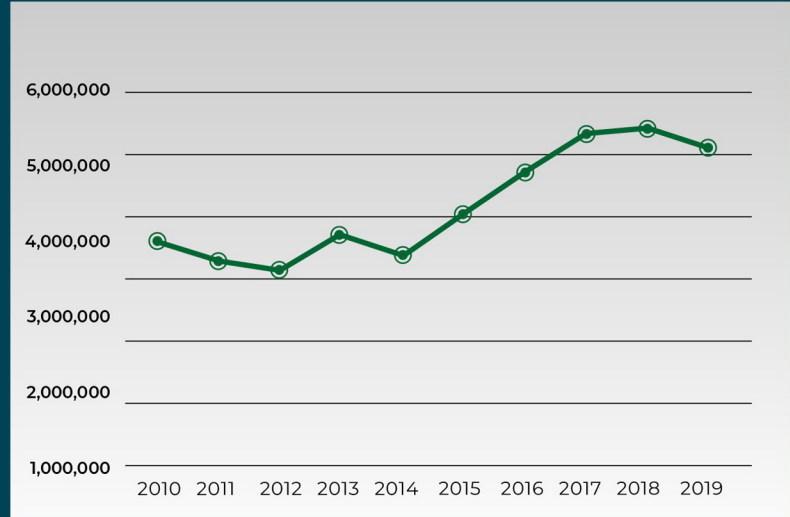


# KEY FINANCIAL INDICATORS

## FUND BALANCE TREND FOR THE LAST TEN YEARS

Reserves are called Fund Balance for governmental accounting, and is one of the most reliable measures of financial health.

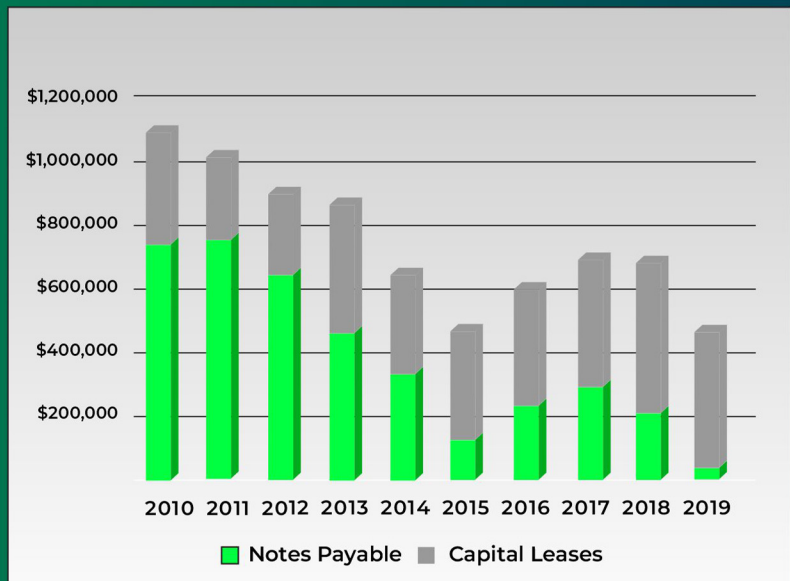
Over the last ten years, there has been an overall increase in fund balance. The low point for the previous ten years was in 2012, at \$3.1 million, and the highest point was in 2018, at \$5.4 million. The fund balance declined in 2019 due to unexpected legal expenses and courthouse maintenance. Accounting professionals recommend a minimum of four months' operating costs in available reserves. For Union County, that is approximately \$4.4 million, and our reserves are currently at a healthy and sustainable balance.



## DEBT TREND FOR THE LAST TEN YEARS

Over the last ten years, Union County has reduced the balance due on notes payable (loans) from \$759,764 to \$41,487, and are shown in green. Two loans were paid off early in 2019, and the only current loan outstanding is an ambulance purchased in 2017.

Leases are shown in gray, and consist of two long-term lease contracts used to finance motorgraders, which both renew every five years.





# OUR COUNTY HIGHLIGHTS FOR 2019

## Accomplishments

A new building for Agricultural Education was near completion on September 30, 2019, and has since been completed and opened. The project was 100% grant-funded through the Florida Department of Agriculture and Consumer Services at a cost of \$480,000. The building houses the offices for the IFAS Extension Agent and 4-H Program. It contains a teaching kitchen and outside pavilion that will be well-suited for livestock shows. The Union County Fair Association was created in 2019. The Fair Association secured funding on the County's behalf for an addition to house animals and equipment for the building.

Improvements to the O.J. Phillips Recreational Complex were completed in cooperation with the Recreation Board. This was the result of \$100,000 in grant funds from the Florida Department of Economic Opportunity through the Florida Recreational Development Assistance Program (FRDAP). ADA parking and sidewalks were installed, the basketball court was resurfaced, new lighting was added to baseball and softball fields, bathrooms were added and improved and a new playground was built.

Two road maintenance projects were completed in 2019, funded by grants from the Florida Department of Transportation: Sapp Cemetery Road and County Road 199. The total cost for these roads was \$2.6 million.

## Future Plans

Additional road resurfacing projects are planned to be completed in 2020, funded by Florida Department of Transportation Grants: SW 63rd Drive, SW 150th Loop and SE 8th Avenue. Also, there are plans to partner with the Town of Raiford to assist with municipal road grants.

Union County received State funds in 2019 of \$100,000 and is budgeted to receive an additional \$400,000 in 2020 for courthouse security screenings. Preliminary engineering work is currently ongoing, and construction is anticipated to begin in 2020. While the county is small, security has become a concern throughout the nation in recent years. The courthouse is the site for court events for high-risk inmates, which brings additional security concerns.

An additional \$165,000 grant has been awarded for the O.J. Phillips Recreational Complex. Improvements will include additional lighting for baseball and softball fields, and the construction and lighting of a football/soccer field.

## Major Challenges

In 2019, Union County incurred substantial legal expenses in relation to multiple law suits filed against the county regarding potential phosphate mining. Costs incurred by the county were approximately \$175,000. Additionally, the County faced an infestation of Mexican Brown Bats in the historic courthouse and other nearby buildings. The bats were removed following strict guidelines (as they are a protected species), and bat houses were constructed in nearby locations to prevent them from returning. The repair and cleanup from the infestation took several months to complete and cost \$36,000.





# OUR UNION PROPERTY TAXES

The Board of County Commissioners and other taxing entities set a property tax rate called a "millage rate," which is used to calculate your overall property taxes. A "mill" is equal to \$1 of tax for every \$1,000 of assessed property value. The biggest challenge to Union County is the limited tax base. It is the smallest county in the State, so the amount of land available to tax is less than any other county. Furthermore, a large portion of the land is not subject to tax because it is owned by the Florida Department of Corrections.

## HOW YOUR TAXES ARE CALCULATED

For a home with an assessed value of \$100,000 that is located outside of any municipality, a home owner would pay \$1005.00 in taxes.

	UNION COUNTY SCHOOL BOARD	UNION COUNTY	SPECIAL LIBRARY DISTRICT	SRWMD
Assessed Value of Property	100,000	100,000	100,000	100,000
Less: Exemption(s)	25,000	50,000	50,000	50,000
Taxable Value	75,000	50,000	50,000	50,000
Taxable value divided by 1,000	75	50	50	50
Millage Rate	6.144	10.000	0.500	0.384
Taxes Levied	\$461	\$500	\$25	\$19

## WHERE \$1 OF YOUR PROPERTY TAXES GOES



Union County

**50¢**

Union County  
School Board

**46¢**

Special Library  
District\*

**2¢**

Suwannee River  
Water Management  
District

**2¢**

\*The Union County Library Special District places a half-mil tax on the taxable value of property. This tax is voted on every two years by the citizens of Union County, and has been in place since 1989, allowing the library to open its doors on March 1, 1990. This tax covers approximately half of the budget of the library.



# OUR TAX CYCLE



Property Taxes involve multiple offices in Union County's government. This separation of power protects your tax dollar from assessment to bills being paid with the funds.





# STATEMENT OF NET POSITION

## WHAT THE COUNTY OWNS & OWES

Union County reports its financial information according to Governmental Accounting Standards, which vary from accounting for private business. This statement is reported on the accrual basis of accounting, and reports the government-wide activities, including Constitutional Officers. The Condensed Statement of Net Position is similar to a "Balance Sheet", and is a summary of what Union County owns (assets) and owes (liabilities), with the difference between the two being net position, similar to "Equity" for private business.

Assets		
Current & Other Assets		6,133,647
Capital assets		16,207,471
<b>Total Assets</b>	<b>\$</b>	<b>22,341,118</b>
<b>Deferred Outflows</b>	<b>\$</b>	<b>3,276,572</b>
Liabilities		
Current Liabilities		896,115
Noncurrent liabilities:		810,388
OPEB & Pension Liabilities:		9,376,328
<b>Total Liabilities</b>	<b>\$</b>	<b>11,082,831</b>
<b>Deferred Inflows</b>	<b>\$</b>	<b>781,112</b>
Net Position		
Net investment in Capital Assets		15,736,855
Restricted		2,465,372
Unrestricted		(4,448,480)
<b>Total Net Position</b>	<b>\$</b>	<b>13,753,747</b>



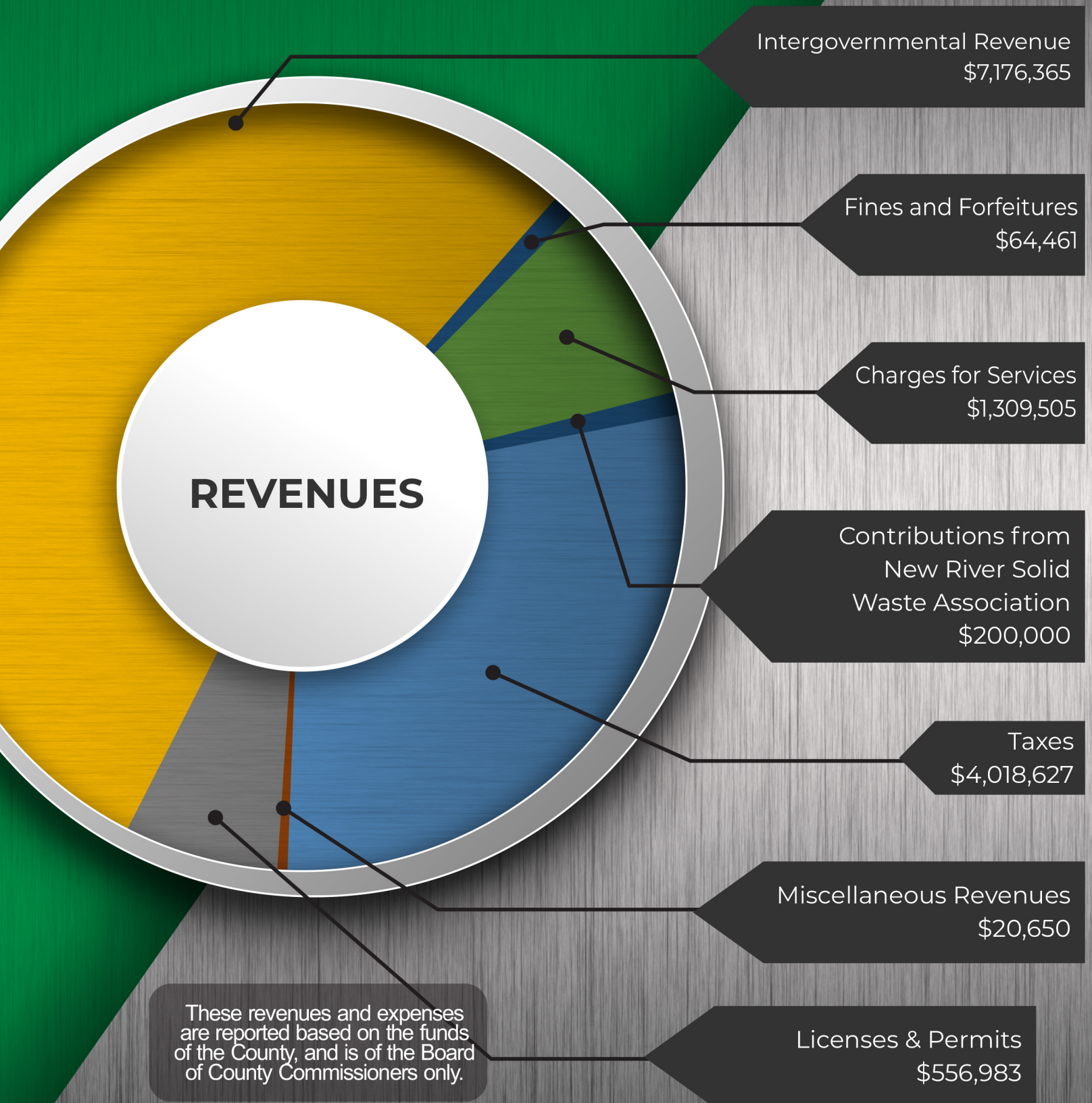
# STATEMENT OF ACTIVITIES FOR 2019

The Statement of Activities presents information showing how the County's net position changed during the fiscal year. This statement is similar to an income statement for private business. During fiscal year 2019, the County implemented Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

REVENUES	
Program Revenues	
Charges for Services:	
General Government	\$ 275,487
Public Safety	898,168
Physical Environment	741,581
Court-related	223,424
Operating Contributions - Gas Taxes	974,781
Other Operating Contributions & Grants	1,942,843
Capital Grants and Contributions	2,492,910
<b>Total Governmental Activities Program Revenues</b>	<b>7,549,194</b>
General Revenues	
Property Taxes	2,362,893
Sales Taxes (Local Option)	640,740
Telecommunication Taxes	40,817
Intergovernmental Revenues (Not Restricted)	2,784,390
Miscellaneous	155,957
<b>Total General Revenues</b>	<b>5,984,797</b>
<b>Total Revenues</b>	<b>13,533,991</b>
EXPENSES	
Governmental Activities:	
General Government	\$ 2,265,607
Public Safety	5,585,411
Physical Environment	1,428,394
Economic Environment	449,292
Transportation	1,847,495
Human Services	366,807
Culture and Recreation	398,043
Court Related	1,185,498
Interest on Long-term Debt	10,933
<b>Total Governmental Activities Expenses</b>	<b>13,537,480</b>
<b>Change in Net Position</b>	<b>\$ (3,489)</b>

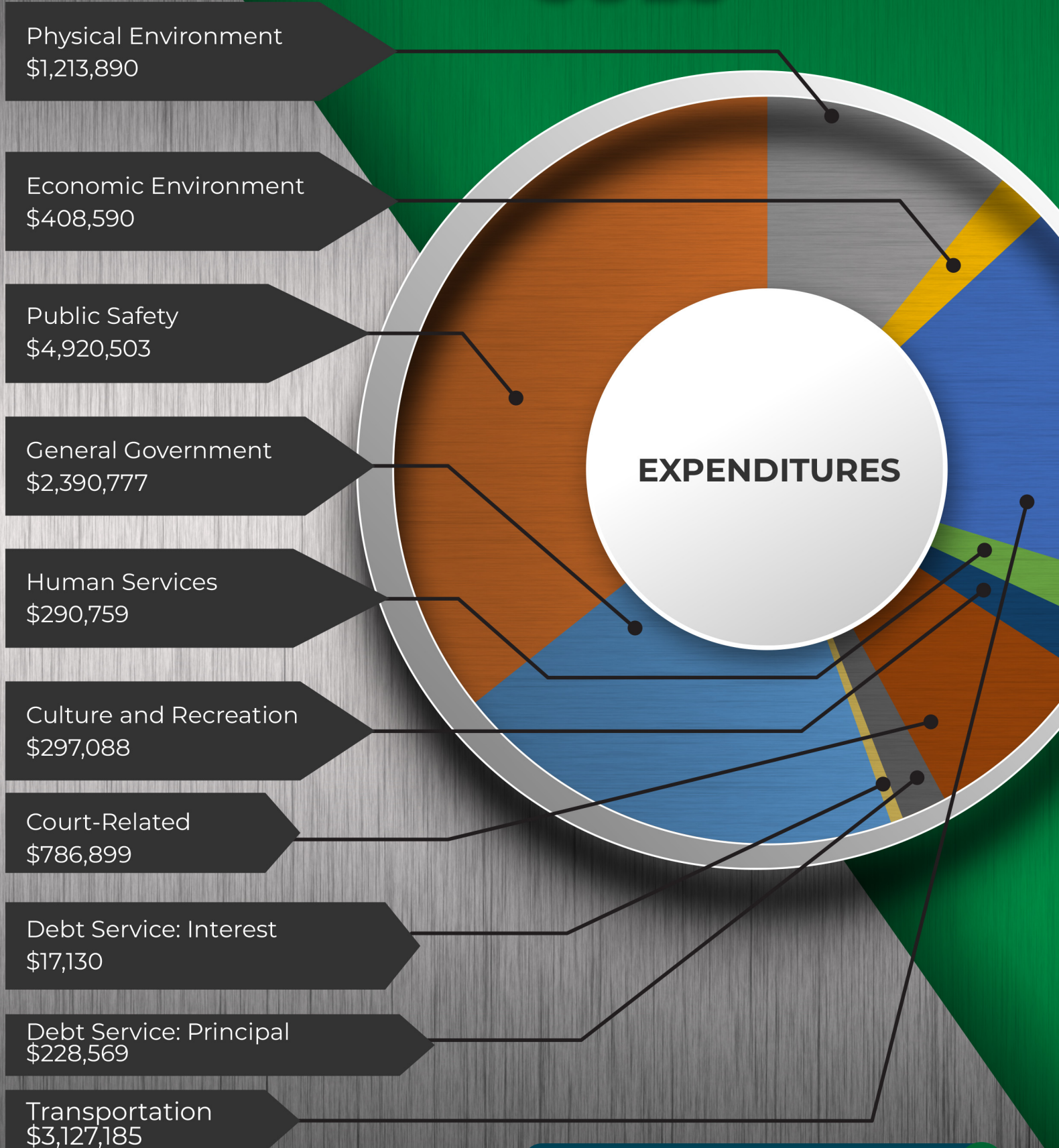


# WHERE OUR MONEY COMES FROM





# WHERE OUR MONEY GOES





# OUR ECONOMIC OUTLOOK

**The Union County economy is based primarily on agriculture and correctional institutions, ran by the Florida Department of Corrections.**

## **Prisons**

The economic impact of the prison system was not by accident. Union County was carved out of Bradford County in 1921. At that time, the Florida State Prison was in the Raiford area. In 1955, an addition, called the East Unit, was built just across the New River in Bradford County. In 1961, the East Unit became a separate institution and was renamed Florida State Prison. The original prison was renamed Union Correctional Institution, as it is still known today. In 1958, Union County purchased 1,020 acres from the United States of America that was formerly a US Naval Air Base for \$100,000 that would be \$890,000 in today's money. In 1961, the County leaders had the foresight of the economic impact of an additional prison operating in the county, and deeded 500 acres to the Florida Department of Corrections for the nominal amount of \$1.00 with the condition that a Reception Center and/or Medical Center was built on the property. In 1989, Union County deeded an additional 260 acres to the Department of Corrections for the construction of The Reception and Medical Center West Unit, in exchange for \$10. It is interesting to note that the minutes from the Board of County Commissioners meeting on July 17, 1958 report that the commissioners recognized that the "location, condition and type of property makes it ideal for a number of various county uses, to-wit: community forest, park service, recreation center, playground, developing agricultural resources of the county, road and bridge purposes, a site for The Northeast Tuberculosis Sanatorium..." In total, the correctional institutions provide 1,781 of the 4,217 jobs in Union County.

## **Agriculture**

Similar to neighboring counties in North Florida, agriculture is a major industry in Union County. According to the US 2017 Farm Census, Union County has 308 farms with 53,757 acres of farmland, with the average farm size of 175 acres. Of these acres used for agriculture, 50% is devoted to pasture and rangeland, 28% to wood and timberland, and 20% to crop production. The Union County Property Appraiser reports that 87% of the 159,218 acres in the county qualify for an agriculture tax exemption. There are 1,149 jobs in Union County in agricultural enterprises.

## **Economic Challenge**

A challenge faced by the County government is that Union County is very small in size. At 249 square miles, it is the smallest in the State of Florida. The limited land means a small amount of land available to tax. While the correctional institutions and agriculture industry contribute heavily to the overall economy, the correctional institutions pay no ad-valorem taxes and agriculture exemptions greatly reduce the amount ad-valorem taxes paid to Union County, which means tax revenue that County government has to operate on is low when compared to similar counties.



Florida became a territory of the United States; the area now known as Union County was part of St. Johns County.

1821

St. Johns County was split, and our area became part of Duval County.

1822

Duval County was divided, and our area became part of Alachua County.

1828

Columbia County was created out of Alachua County and included what is now Union County.

1832

1858

New River County was created out of Columbia County, and contained what is now known as Baker, Bradford and Union Counties.

1861

New River County carved Baker out of the County on February 8. On December 6, the area now known as Bradford and Union Counties was renamed Bradford County.

1921

On May 20, an act providing for the creation of Union County passed the Florida Legislature, and on October 1, Union County was created.

Local legend says the county was divided because the County couldn't agree whether Starke or Lake Butler would be the county seat. Dividing the County made both towns a county seat.



Signing the bill creating Union County, May 1921. From left to right: Secretary to Governor M.L. Dawson; Hon. E.M. Johns, Bradford County; Hon. C.H. Register, Union County; Hon. S.D. Edge, Lake County; Hon. T.G. Futch, Lake County; Governor Cary H. Hardee; Senator D.E. Knight, Bradford County



# PRINCIPAL TAXPAYERS & EMPLOYERS FOR 2019

TAXPAYER	2018 Taxable Value	Percentage of Taxpayers
Weyerhaeuser	\$ 12,947,396	2.75 %
Clay Electric Cooperative, Inc.	10,340,497	2.20
Florida Power and Light Co.	6,049,552	1.29
West Frasier	5,843,823	1.24
Windstream	2,483,429	0.53
Lake Butler, LLC	2,454,725	0.44
CVS	2,038,877	0.43
Medlink Management	1,666,943	0.35
Florida Gas Transmission	1,315,192	0.28
HPS Enterprises II, LLC	1,131,879	0.24
<b>SUBTOTAL PRINCIPAL TAXPAYERS</b>	<b>45,872,313</b>	<b>9.75</b>
<b>ALL OTHER TAXPAYERS</b>	<b>424,498,544</b>	<b>90.25</b>
<b>TOTAL</b>	<b>\$470,370,857</b>	<b>100.00 %</b>

EMPLOYERS	Number of Employees	Percent of Employment
Department of Corrections	1,373	32.56
Union County School Board	364	8.63
Pritchett Trucking	301	7.14
Centurion - RMC & UCI	356	8.44
West Frasier	142	3.37
<b>TOTAL PRINCIPAL EMPLOYERS</b>	<b>2,536</b>	<b>60.14</b>
<b>ESTIMATED TOTAL WORKFORCE</b>	<b>4,217</b>	



# ROLE OF THE CLERK

The Clerk of the Circuit Court and County Comptroller is elected by Union County citizens and responsible for safeguarding all of public records and public funds. As a constitutional officer, the Clerk operates independently from County government. The Clerk manages four primary functions and is responsible for over 1,000 responsibilities according to Florida law.

## CLERK OF THE CIRCUIT COURT



The Clerk guarantees the integrity of all court-related documents in Union County. The Clerk processes and files all case documents and evidence, making them available to the general public. The Clerk is also responsible for managing the county's jury system and provides citizens who wish to represent themselves in court with court forms.

*3,662 cases filed • 10,327 e-filed documents • 1,670 jurors summoned*

## CHIEF FINANCIAL OFFICER, TREASURER & AUDITOR



To protect taxpayers, the Clerk oversees the budget, Set by the Board of County Commissioners. The Clerk records revenues and processes payments on behalf of the County pre-audits all expenditures to ensure that taxpayer funds are being used lawfully and in accordance with County Policy. The Clerk also invests all available County funds to earn interest.

*4,750 county bills audited & paid*

## COUNTY RECORDER



The Clerk preserves and ensures the integrity of the Official Record Books of Union County dating back to 1921. Documents such as mortgages, deeds, liens, judgments and marriage licenses are recorded and digitally indexed into a computer system. The Clerk digitizes historical books to help find old records and maintain a backup in the event the original books are destroyed by a disaster.

*191 passport applications • 90 marriage licenses • 2,840 official records*

## CLERK TO THE BOARD OF COUNTY COMMISSIONERS



The Clerk prepares and maintains the records of County Commission and other government meetings and makes them available to the public. The Clerk also administers the Value Adjustment Board to allow citizens to contest their property value.

*32 public meeting minutes prepared*



**Board of County Commissioners**  
(386) 496-4241  
[www.unioncounty-fl.gov](http://www.unioncounty-fl.gov)  
James Williams, County Coordinator

**Building Department**  
(386) 496-2676  
Wilson Whidden, Building Inspector

**Agriculture Extension Office/  
Union County Soil & Water District**  
(386) 496-2321  
Luke Harlow, Ext. Agent

**Animal Control/Mosquito Control/Solid Waste**  
(386) 496-2180  
Director: Kim Hayes

**Emergency Management**  
(386) 496-4300  
Director: Tim Allen

**Emergency Medical Services**  
(386) 496-3839  
Director: Wayne Clemons

**Public Library**  
(386) 496-3432  
Director: Mary Brown

**Road Department**  
(386) 496-2180  
Director: Shelton Arnold, Jr.

**Union County Volunteer Fire Department**  
(386) 496-3839

**Kellie Hendricks Connell, CPA**  
**Clerk of Courts & Comptroller**  
(386) 496-3711  
[www.unionclerk.com](http://www.unionclerk.com)

**Bruce D. Dukes**  
**Property Appraiser**  
(386) 496-3431  
[www.unionpa.com](http://www.unionpa.com)

**Brad Whitehead**  
**Sheriff**  
(386) 496-2501  
[www.unionsheriff.us](http://www.unionsheriff.us)

**Deborah K. Osborne**  
**Supervisor of Elections**  
(386) 496-2236  
[www.unionflvotes.com](http://www.unionflvotes.com)

**Lisa B. Johnson**  
**Tax Collector**  
(386) 496-3331  
[www.unioncountytax.com](http://www.unioncountytax.com)

**Mitchell D. Bishop**  
**County Judge**  
(386) 496-2621  
[www.circuit8.org](http://www.circuit8.org)



**UNION** *County*  
LAKE BUTLER • WORTHINGTON SPRINGS • RAIFORD • PALESTINE • PROVIDENCE