Clay County, Florida

Audit Report

September 30, 2016

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CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable County Commissioners
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Clay County, Florida (the "County") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County'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 opinions on these financial statements based on our audit. We did not audit the financial statements of the Housing Finance Authority of Clay County which is the County's discretely presented component unit. Those statements were audited by another auditor, whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Housing Finance Authority of Clay County, are based solely on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the County as of September 30, 2016, and the changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance 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 management's discussion and analysis and the required supplementary information, as listed in the table of contents, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and Chapter 10.550, Rules of the Auditor General, and is also not a required part of the financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 25, 2017

Management's Discussion and Analysis

This discussion and analysis of Clay County's (the County) financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2016. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes. We hope this will assist readers in identifying significant financial issues and changes in the County's financial position.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of fiscal year 2016 by $395,584,541. $366,550,054 is from Governmental activities while $29,034,487 is from Business-type activities. Of this amount $25,926,794 may be used to meet the ongoing obligations to citizens and creditors.
- Due to the implementation of Statement 68, the County reported a liability of $96,636,897 for its proportionate share of the Florida Retirement System net pension liability.
- The County's revenues exceeded its expenses by $6,167,341 for the fiscal year.
- Outstanding long-term obligations as of September 30, 2016 were $153,668,674. Of this amount $16,032,819 is considered due within one year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the 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 earned revenues such as sales taxes and earned but unused vacation leave).

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type

activities). The governmental activities of the County include general government, physical environment, public safety, court related, transportation, economic environment, human services, and culture/recreation. The business-type activities include solid waste disposal and solid waste collection (universal collection).

The government-wide financial statements include not only the County itself (known as the primary government), but also the Housing Finance Authority of Clay County. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1-2 of this report.

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 County, 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 County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Sheriff MSTU, and Capital Improvement Projects funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general, budgeted special revenue, debt service and capital projects funds. A budget comparison statement has been provided for these funds, where applicable, to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found on pages 3-6 of this report.

The County maintains two types of proprietary funds, enterprise funds and an internal services fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to solid waste disposal and universal solid waste collection. An internal service fund is utilized to report activities of the County's self insured employee/retiree health fund.

Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal and solid waste collection operations.

The basic proprietary fund financial statements can be found on pages 7-9 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is similar to proprietary funds.

The basic fiduciary fund financial statement can be found on page 10 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-33 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's comparison of budget and actual revenues and expenditures for its general and major special revenue funds; and certain information concerning the County's other postemployment benefit and pension obligations. Required supplementary information can be found on pages 34-39 of this report.

The combining statements referred to earlier in connection with non-major governmental funds can be found on pages 40-67 of this report.

The County received federal and state financial assistance, generally in the form of grants. Expenditures of these grants are reported on pages 69-71.

Requirements of the Auditor General are also presented on pages 72-81.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $395,584,541 at the close of the fiscal year ended September 30, 2016.

At the end of the fiscal year 2016, the County is able to report a positive net position in all three categories.

County of Clay, Florida
Net Position

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	$ 125,346,480	$ 124,215,704	$ 29,849,807	$ 26,757,002	$ 155,196,287	$ 150,972,706
Capital assets	365,390,265	364,952,160	4,267,482	4,379,973	369,657,747	369,332,133
Total assets	490,736,745	489,167,864	34,117,289	31,136,975	524,854,034	520,304,839
Deferred outflow of resources	55,251,800	23,602,601	650,628	291,339	55,902,428	23,893,400
Noncurrent liabilities outstanding	149,787,393	113,975,671	3,881,281	3,518,026	153,668,674	117,493,697
Other liabilities	12,116,391	11,817,272	1,626,242	1,599,155	13,742,633	13,416,427
Total liabilities	161,903,784	125,792,943	5,507,523	5,117,181	167,411,307	130,910,124
Deferred inflows of resources	17,534,707	23,563,544	225,907	307,371	17,760,614	23,870,915
Net position:						
Invested capital assets net of related debt	365,390,265	364,952,160	4,267,482	4,379,973	369,657,747	369,332,133
Restricted	55,788,029	46,970,070	-	-	55,788,029	46,970,070
Unrestricted (deficit)	(54,628,240)	(48,508,792)	24,767,005	21,623,789	(29,861,235)	(26,885,003)
Total net position	$ 366,550,054	$ 363,413,438	$ 29,034,487	$ 26,003,762	$ 395,584,541	$ 389,417,200

The largest portion of the County's net position (95%) reflects its investment in capital assets such as land, buildings, infrastructure, improvements and equipment, less any outstanding debt used to acquire those capital assets. The County uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the County's net position, $55,788,029, represents resources that are subject to external restrictions on how they may be used. The remaining balance represents a deficit in net position of $29,861,235.

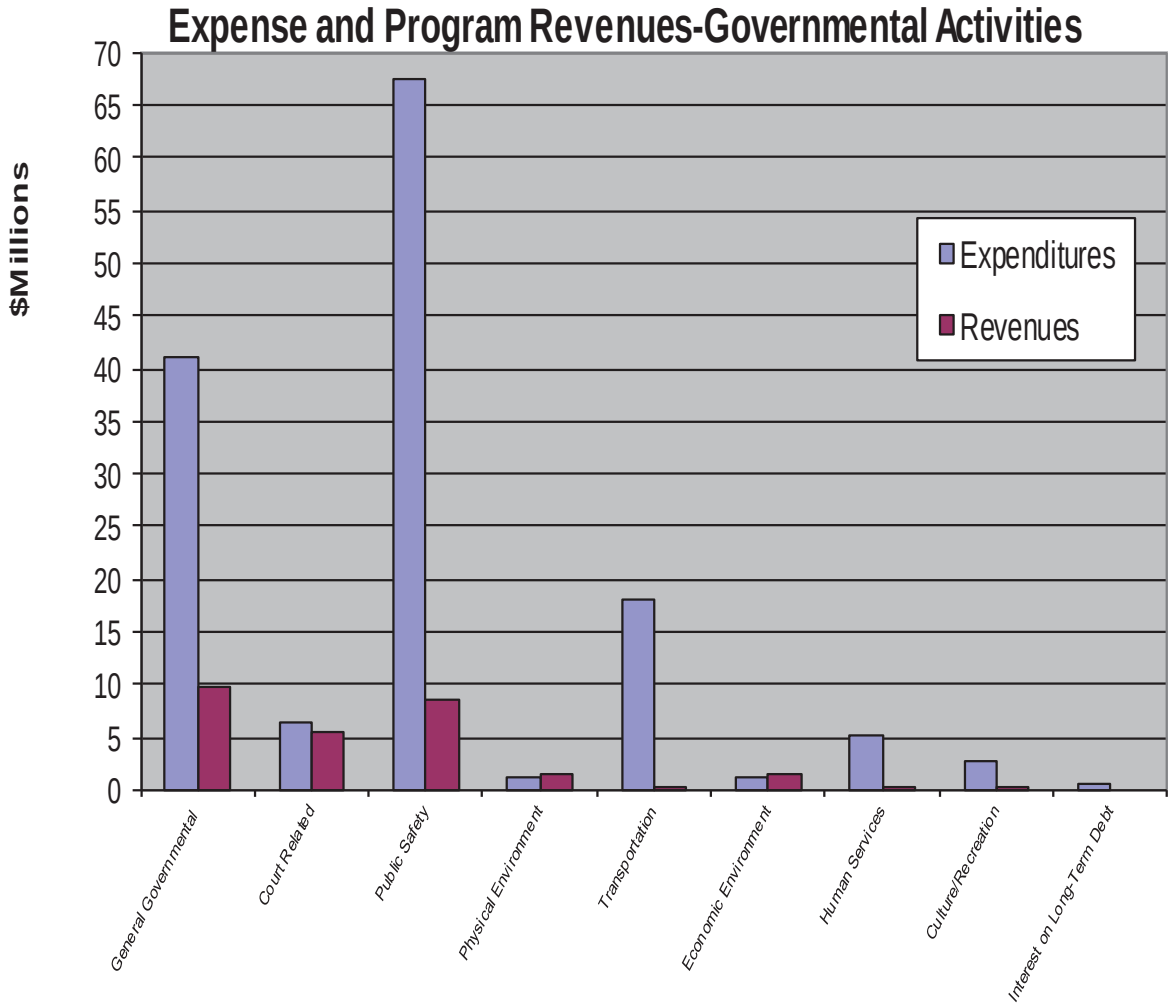
Governmental Activities

Governmental activities increased the County's net position by $3,136,616 while Business-type activities increased the County's net position by $3,030,725.

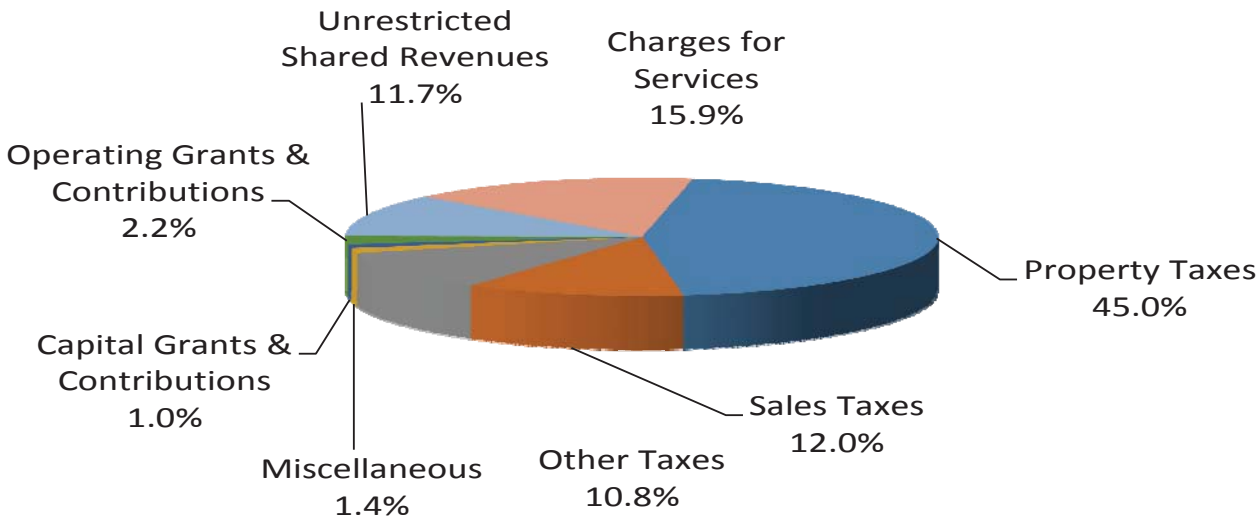
County of Clay, Florida
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	$ 23,345,645	$ 25,367,279	$ 20,291,549	$ 19,909,903	$ 43,637,194	$ 45,277,182
Operating grants and contributions	3,170,644	4,097,828	-	-	3,170,644	4,097,828
Capital grants and contributions	973,811	222,187	-	-	973,811	222,187
General revenues:						
Property taxes	66,798,828	63,969,682	-	-	66,798,828	63,969,682
Other taxes	33,610,776	32,731,490	-	-	33,610,776	32,731,490
Other revenues	19,289,022	32,506,641	59,704	28,831	19,348,726	32,535,472
Total revenues	147,188,726	158,895,107	20,351,253	19,938,734	167,539,979	178,833,841
Expenses:						
General government	41,188,647	42,792,085	-	-	41,188,647	42,792,085
Court related	6,530,280	6,402,555	-	-	6,530,280	6,402,555
Public safety	67,347,000	58,740,162	-	-	67,347,000	58,740,162
Physical environment	1,246,521	1,019,598	-	-	1,246,521	1,019,598
Transportation	18,163,779	17,493,819	-	-	18,163,779	17,493,819
Economic environment	1,075,113	1,135,181	-	-	1,075,113	1,135,181
Human services	5,231,959	4,849,362	-	-	5,231,959	4,849,362
Culture and recreation	2,562,038	1,991,413	-	-	2,562,038	1,991,413
Interest on long-term debt	581,362	968,612	-	-	581,362	968,612
Solid waste disposal	-	-	8,769,684	8,283,327	8,769,684	8,283,327
Solid waste collection	-	-	8,676,255	9,258,666	8,676,255	9,258,666
Total expenses	143,926,699	135,392,787	17,445,939	17,541,993	161,372,638	152,934,780
Change in net position before transfers	3,262,027	23,502,320	2,905,314	2,396,741	6,167,341	25,899,061
Transfers	(125,411)	(116,648)	125,411	116,648	-	-
Change in net positions	3,136,616	23,385,672	3,030,725	2,513,389	6,167,341	25,899,061
Net position – beginning of year	363,413,438	397,522,768	26,003,762	24,246,329	389,417,200	421,769,097
Restatement of net position	-	(57,495,002)	-	(755,956)	-	(58,250,958)
Net position – end of year	$ 366,550,054	$ 363,413,438	$ 29,034,487	$ 26,003,762	$ 395,584,541	$ 389,417,200

Note: Fiscal year 2015 beginning net postion is restated due to the implentation of GASB 68.


Expense and Program Revenues-Governmental Activities
$Millions
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
Expenditures
Revenues
General Governmental
Court Related
Public Safety
Physical Environment
Transportation
Economic Environment
Human Services
Culture/Recreation
Interest on Long-Term Debt

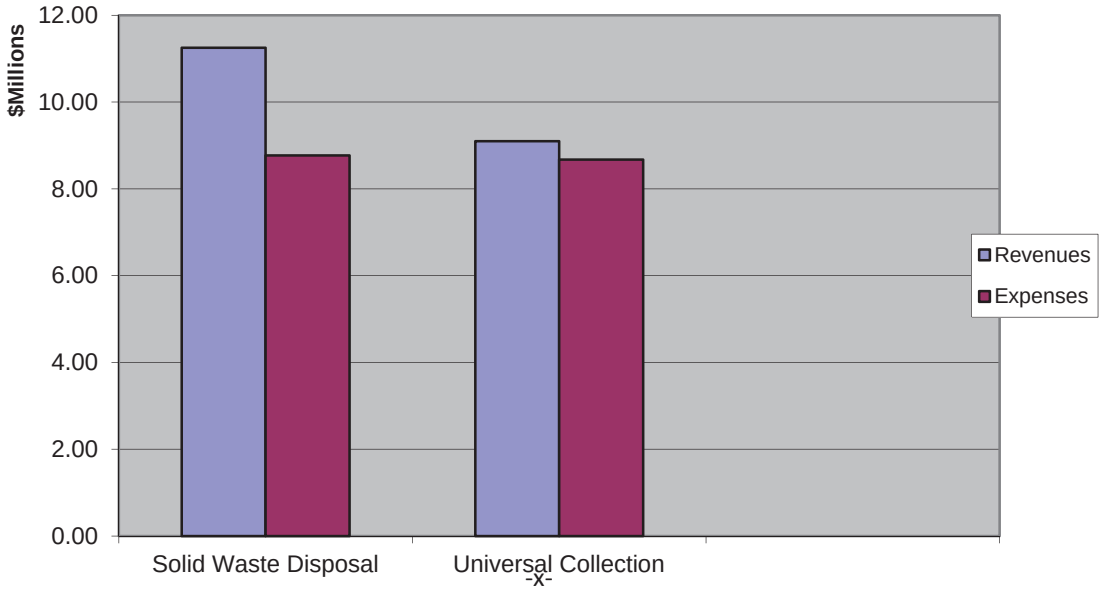
Revenues by Source-Governmental Activities



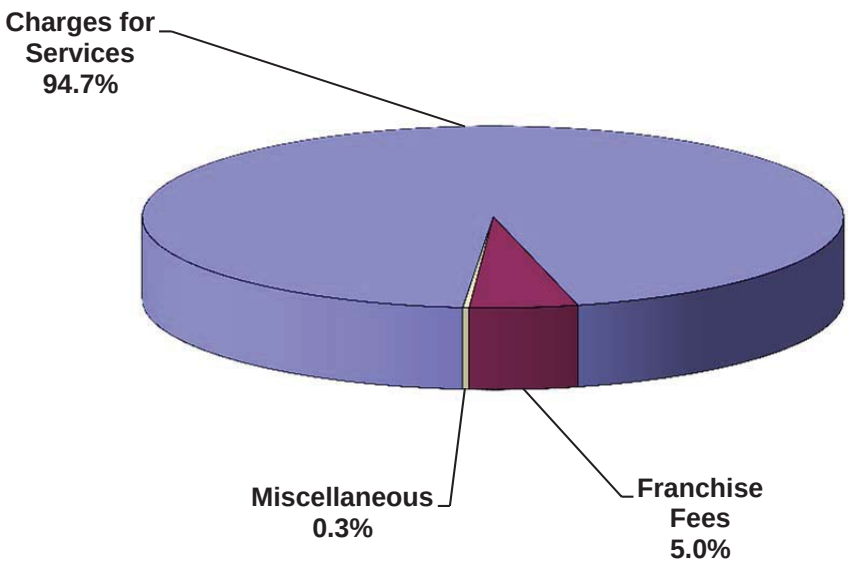
Business-type activities

Business-type activities increased the County's net position by $3,030,725, accounting for 49.1% of the total growth in the government's net position. The key elements of the increase are attributable to the Solid Waste Disposal fund which reported revenues in excess of expenses of $2,560,497. The other enterprise fund, the Solid Waste Collection fund, reported revenues in excess of expenses of $470,228.

Expenses and Revenues-Business-Type Activities



Revenues by Source-Business-Type Activities



Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year 2016, the County's General fund reported an ending fund balance of $31,059,600. This is an increase of $1,124,857 from the prior year. Unassigned fund balance is $5,709,676 and is generally available for spending at the County's discretion. The remainder of fund balance is either, restricted for specific purposes, $184,653; assigned with the intent to be used for a specific purpose, $24,784,547; or considered non-spendable for inventory and prepaid items, $380,724.

The General, Sheriff MSTU, and Capital Improvement Projects funds are reported as major funds. For the fiscal year, the General fund operated with a surplus of $1,197,307; the Sheriff MSTU operated with a surplus of $343,352; and the Capital Projects fund operated with a deficit of $2,892,716.

The General fund is the chief operating fund of the County. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 5.9% of the total General fund expenditures.

The fund balance of the County's General fund increased during the fiscal year, as stated above. There were significant increases in several revenue areas over the amounts anticipated. These include State

Revenue Sharing increase of $193,971 and Local Government Half Cent Sales Tax of $522,687. Additionally expenditures in the General Government area came in at only 90.12% of budget or $2,532,025 unspent.

The Sheriff MSTU fund has a total fund balance of $1,404,641, and operated with a $343,352 surplus for the year.

The Capital Improvement Projects fund has a total fund balance of $39,593,881. The net decrease in fund balance during the fiscal year was $2,892,716. This was due primarily due to the timing of the various projects.

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Solid Waste Disposal and Solid Waste Collection enterprise funds are both reported as major funds. Additionally, the County operates a self insured program for its employee/retiree health benefit coverage. This activity is reported as an Internal Service fund.

Unrestricted net position of the proprietary funds at the end of the current and prior fiscal years amounted to:

	Unrestricted Net Position	
	2016	2015
Solid Waste Disposal	$ 23,013,450	$ 20,340,462
Universal Collection	1,753,555	1,283,327
Internal	6,571,430	5,687,763
Total	$ 31,338,435	$ 27,311,552

Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

Over the course of the year the County revised the General fund budget several times. These budget amendments fall into two categories. The first category includes supplemental appropriations. These additional appropriations consist primarily of unanticipated revenues received by the County during the year. The second category of budgetary amendments is regular budgetary adjustments from one division to another. Differences between the General fund's original budget and final amended budget are briefly summarized as follows:

- Increase in General Government Services of $1,166,825.
- Increase in Public Safety of $441,171.
- Increase in Economic Development of $2,198.
- Increase in Human Services of $10,000.
- Increase in Culture and Recreation of $328,500.
- Increase in Court Costs of $30,698.

Significant differences between the final amended General fund budget for the fiscal year 2016 and the actual expenditures are briefly summarized as follows:

- The Sheriff's Office did not spend their entire appropriation, resulting in a savings of $1,473,192.
- Anticipated fuel price increases did not occur, resulting in a positive variance in the Fleet/Fuel Management division of $1,263,165.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2016 amounted to $369,657,747 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. The total increase in the County's investment in capital assets (net of depreciation and disposals) for the year was .09% (a net increase of $438,105 for governmental activities and a $112,491 net decrease for business-type activities).

Major capital asset events during the fiscal year include the following:

- Construction and improvements to County roadways of $3,470,407.
- Various transportation equipment of $603,797 including three motor graders and an excavator.
- Various public safety equipment of $855,420 including three ambulances and a firetruck.
- Developer donated roadways valued at $2,669,032.

County of Clay, Florida
Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	$ 102,590,878	$ 101,094,004	$ 986,525	$ 986,525	$ 103,577,403	$ 102,080,529
Building and improvements	65,782,851	68,199,474	3,241,527	3,335,412	69,024,378	71,534,886
Machinery and equipment	11,900,716	11,544,903	39,430	58,036	11,940,146	11,602,939
Infrastructure	180,320,952	183,889,123	-	-	180,320,952	183,889,123
Construction in progress	4,794,868	224,656	-	-	4,794,868	224,656
Total	$ 365,390,265	$ 364,952,160	$ 4,267,482	$ 4,379,973	$ 369,657,747	$ 369,332,133

Additional information on the County's capital assets can be found in Note 5 on pages 21-22 of this report.

Long-term Debt

During the 2009 fiscal year the County issued $71,025,000 of revenue bonds. The Series 2009 bonds are secured by a lien upon and pledge of the discretionary sales surtax. Proceeds of the bonds are being utilized for several large road improvements in the Lake Asbury area of the County. This is the only outstanding bond issue of the County at the 2016 fiscal year end.

County of Clay, Florida
Outstanding Debt
Governmental Activities

	2016	2015
Sales tax revenue bonds	$ 17,530,000	$ 25,665,000

Additional information on the County's debt can be found in Note 6 on pages 23-24 of this report.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the County was 4.2% for 2016. This represents a decrease of 4.6% from the prior year (4.4%).
- The gross taxable property values increased to $9.3 billion in fiscal year 2016, an increase of 5.6%.
- The number of building inspections performed increased from 35,312 in fiscal year 2015 to 37,618 in fiscal year 2016. 5,048 buildings were issued certificates of occupancy during 2016 compared to 4,164 for fiscal year 2015.
- The County's population increased 2% to 205,000 over the 2015 number of 201,000.

Of the County's September 30, 2016 General fund balance of $31,059,600, $21,110,737 has been appropriated to the 2016 fiscal year to help fund 2017 activity. This amount has been included in the

assigned fund balance on the 2016 financial statements along with $3,673,810 in the Fine & Forfeiture fund which is assigned for law enforcement purposes.

The 2016 ad valorem tax rate for the County remained constant at 8.101 mills.

The special assessment rates ($84 per unit) for the Solid Waste fund as well as the franchise fees were not changed for the 2016 fiscal year. The universal collection assessment fee was set at $146.40 per household, also the same as the prior year.

Request for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have any questions concerning any of the information provided in this report or need additional financial information, contact the County's Finance Director at 477 Houston Street, Green Cove Springs, Florida. Additional information concerning the County can be found on our web site http://www.claycountygov.com.

Statement of Net Position
September 30, 2016

	Primary Government			Component Unit
	Governmental Activities	Business Type Activities	Total	Housing Finance Authority
Assets:				
Cash and equivalents	$ 54,221,677	$ 22,313,820	$ 76,535,497	$ 1,792,270
Investments	11,157,788	6,643,556	17,801,344	121,120
Due from other governments	4,358,440	12,518	4,370,958	-
Receivables	3,537,812	161,827	3,699,639	4,645,329
Prepaids	7,929	-	7,929	-
Inventory	387,709	-	387,709	-
Internal balances	(145,617)	440,243	294,626	-
Restricted investments	51,820,742	277,843	52,098,585	-
Capital assets:				
Non-depreciable	107,385,746	986,525	108,372,271	-
Depreciable, net	258,004,519	3,280,957	261,285,476	-
Total assets	490,736,745	34,117,289	524,854,034	6,558,719
Deferred outflow of resources	55,251,800	650,628	55,902,428	-
Liabilities:				
Accounts payable and accrued liabilities	8,487,125	1,388,199	9,875,324	20,117
Due to other governments	37,666	-	37,666	-
Unearned revenue	348,508	-	348,508	-
Deposits	-	238,043	238,043	-
Estimated liabilitiy for self-insurance losses	3,243,092	-	3,243,092	-
Noncurrent liabilities:				
Due within one year	15,712,757	320,062	16,032,819	-
Due in more than one year	134,074,636	3,561,219	137,635,855	-
Total liabilities	161,903,784	5,507,523	167,411,307	20,117
Deferred inflow of resources	17,534,707	225,907	17,760,614	-
Net position:				
Net investment in capital assets	365,390,265	4,267,482	369,657,747	-
Restricted:				
Public safety	9,407,680	-	9,407,680	-
Transportation	3,610,070	-	3,610,070	-
Economic environment	3,021,163	-	3,021,163	109,040
Human services	2,288	-	2,288	-
Culture and recreation	1,128,448	-	1,128,448	-
Court related	6,452,859	-	6,452,859	-
Capital projects	21,794,927	-	21,794,927	-
Debt service	8,169,435	-	8,169,435	-
Municipal services	2,016,506	-	2,016,506	-
Election grants	184,653	-	184,653	-
Unrestricted	(54,628,240)	24,767,005	(29,861,235)	6,429,562
Total net position	$ 366,550,054	$ 29,034,487	$ 395,584,541	$ 6,538,602

See accompanying notes.

Clay County, Florida

Statement of Activities
Year ended September 30, 2016

Functions/programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business Type Activities	Primary Government: Total	Component Unit: Housing Finance Authority
Primary government:								
Governmental activities:								
General government	$ 41,188,647	$ 9,046,646	$ 54,284	$ 688,747	$ (31,398,970)	$ -	$ (31,398,970)	$ -
Public safety	67,347,000	7,133,730	1,379,003	-	(58,834,267)	-	(58,834,267)	-
Physical environment	1,246,521	1,354,788	46,283	-	154,550	-	154,550	-
Transportation	18,163,779	88,867	-	285,064	(17,789,848)	-	(17,789,848)	-
Economic environment	1,075,113	605,242	981,698	-	511,827	-	511,827	-
Human services	5,231,959	97,870	18,052	-	(5,116,037)	-	(5,116,037)	-
Culture and recreation	2,562,038	173,142	63,217	-	(2,325,679)	-	(2,325,679)	-
Court related	6,530,280	4,845,360	628,107	-	(1,056,813)	-	(1,056,813)	-
Interest on long-term debt	581,362	-	-	-	(581,362)	-	(581,362)	-
Total governmental activities	143,926,699	23,345,645	3,170,644	973,811	(116,436,599)	-	(116,436,599)	-
Business-type activities:								
Solid waste disposal	8,769,684	11,196,992	-	-	-	2,427,308	2,427,308	-
Solid waste collections	8,676,255	9,094,557	-	-	-	418,302	418,302	-
Total business-type activities	17,445,939	20,291,549	-	-	-	2,845,610	2,845,610	-
Total primary government	$ 161,372,638	$ 43,637,194	$ 3,170,644	$ 973,811	(116,436,599)	2,845,610	(113,590,989)	-
Component unit:								
Housing Finance Authority	$ 409,318	$ 546,810	$ -	$ -	-	-	-	137,492
General revenues:								
Property taxes					66,798,828	-	66,798,828	-
Utility service tax					3,964,437	-	3,964,437	-
Discretionary sales taxes					17,617,694	-	17,617,694	-
Gas taxes					6,123,626	-	6,123,626	-
Communications service tax					5,899,832	-	5,899,832	-
Other taxes					5,187	-	5,187	-
Unrestricted shared revenues					17,156,868	-	17,156,868	-
Miscellaneous					2,132,154	59,704	2,191,858	14,047
Transfers					(125,411)	125,411	-	-
Total general revenues and transfers					119,573,215	185,115	119,758,330	14,047
Change in net position					3,136,616	3,030,725	6,167,341	151,539
Net position – beginning of year					363,413,438	26,003,762	389,417,200	6,387,063
Net position – end of year					$ 366,550,054	$ 29,034,487	$ 395,584,541	$ 6,538,602

See accompanying notes.

Balance Sheet – Governmental Funds
September 30, 2016

	General Fund	Capital Improvement Projects	Sheriff MSTU	Other Govern-mental Funds	Total Govern-mental Funds
Assets:					
Cash and equivalents	$ 25,608,245	$ 9,717,537	$ 809,749	$ 13,430,743	$ 49,566,274
Investments	7,452,763	31,020,946	34,473	20,765,323	59,273,505
Due from other funds	751,729	-	560,879	632,546	1,945,154
Due from other governments	1,505,301	1,883,315	-	969,824	4,358,440
Receivables, net	3,479,623	2	-	54,554	3,534,179
Prepaid costs	4,436	-	-	3,493	7,929
Inventory	376,288	-	-	11,421	387,709
Total assets	$ 39,178,385	$ 42,621,800	$ 1,405,101	$ 35,867,904	$ 119,073,190
Liabilities:					
Accounts payable and accrued liabilities	$ 4,361,478	$ 3,027,919	$ -	$ 1,030,417	$ 8,419,814
Due to other funds	982,074	-	-	1,126,469	2,108,543
Due to other governments	25,287	-	460	11,919	37,666
Unearned revenue	287,022	-	-	61,486	348,508
Total liabilities	5,655,861	3,027,919	460	2,230,291	10,914,531
Deferred inflows:					
Unavailable revenue	2,462,924	-	-	11,335	2,474,259
Fund balances:					
Nonspendable:					
Prepaids	4,436	-	-	3,493	7,929
Inventory	376,288	-	-	11,421	387,709
Restricted	184,653	39,593,881	1,404,641	33,611,364	74,794,539
Assigned	24,784,547	-	-	-	24,784,547
Unassigned	5,709,676	-	-	-	5,709,676
Total fund balances	31,059,600	39,593,881	1,404,641	33,626,278	105,684,400
Total liabilities, deferred inflows and fund balances	$ 39,178,385	$ 42,621,800	$ 1,405,101	$ 35,867,904	$ 119,073,190

See accompanying notes.

Reconciliation of the Balance Sheet to the Statement of Net Position
September 30, 2016

Fund balances – total governmental funds	$ 105,684,400
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not reported in the governmental funds.	
Capital assets – net	365,390,265
Long-term liabilities are not reported in the governmental funds.	
Bonds payable	(17,530,000)
Original issue premium	(1,491,423)
Medicaid note payable	(80,917)
Compensated absences	(12,385,156)
Net pension liability	(96,656,897)
Net OPEB obligation	(21,643,000)
The estimated liability for self-insured workers' compensation is not accrued in the governmental funds.	(1,500,000)
Revenue is recognized when earned. However, revenue is deferred until the current financial resources are available in the governmental fund statements.	2,474,259
Deferred outflows related to pensions are not reported in governmental funds	55,251,800
Deferred inflows related to pensions are not reported in governmental funds	(17,534,707)
Net postion of the Internal Service Fund is reported in governmental activities but not in the governmental funds.	6,571,430
Net position of governmental activities	$ 366,550,054

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2016

	General Fund	Capital Improvement Projects	Sheriff MSTU	Other Govern-mental Funds	Total Govern-mental Funds
Revenues:					
Taxes	$ 54,404,963	$ 17,617,694	$ 17,350,395	$ 10,649,385	$ 100,022,437
Licenses and permits	11,196	-	-	3,048,375	3,059,571
Intergovernmental	18,684,728	-	-	5,950,151	24,634,879
Charges for services	9,302,405	-	-	4,586,156	13,888,561
Fines and forfeitures	59,074	-	-	1,108,580	1,167,654
Miscellaneous	1,291,814	856,758	35,827	1,054,764	3,239,163
Total revenues	83,754,180	18,474,452	17,386,222	26,397,411	146,012,265
Expenditures:					
Current:					
General government	23,087,834	-	-	860,549	23,948,383
Public safety	60,459,808	-	1,977,487	7,984,814	70,422,109
Physical environment	466,439	-	-	989,559	1,455,998
Transportation	2,145,741	-	-	7,891,173	10,036,914
Economic environment	298,492	-	-	1,023,075	1,321,567
Human services	5,098,108	-	-	492,729	5,590,837
Culture and recreation	4,241,455	-	-	264,032	4,505,487
Court related	1,399,587	-	-	4,715,283	6,114,870
Capital outlay	-	11,905,093	-	-	11,905,093
Debt service:					
Principal retirement	-	-	-	8,135,000	8,135,000
Interest and fiscal charges	-	-	-	1,327,075	1,327,075
Total expenditures	97,197,464	11,905,093	1,977,487	33,683,289	144,763,333
Excess of revenues over (under) expenditures	(13,443,284)	6,569,359	15,408,735	(7,285,878)	1,248,932
Other financing sources (uses):					
Transfers in	15,986,452	-	556,686	12,017,341	28,560,479
Transfers out	(1,345,861)	(9,462,075)	(15,622,069)	(2,255,885)	(28,685,890)
Total other financing sources (uses)	14,640,591	(9,462,075)	(15,065,383)	9,761,456	(125,411)
Net change in fund balances	1,197,307	(2,892,716)	343,352	2,475,578	1,123,521
Fund balances – beginning of year	29,934,743	42,486,597	1,061,289	31,158,671	104,641,300
Change in prepaids	1,313	-	-	(1,993)	(680)
Change in inventory	(73,763)	-	-	(5,978)	(79,741)
Fund balances – end of year	$ 31,059,600	$ 39,593,881	$ 1,404,641	$ 33,626,278	$ 105,684,400

See accompanying notes.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
Year ended September 30, 2016

Net change in fund balances – total governmental funds	$ 1,123,521
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.	
Acquisitions of capital assets	17,292,076
Current year depreciation expense	(16,723,246)
Loss on disposition of capital assets	(130,725)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes current financial resources, but neither transaction has any effect on net assets. Also, governmental funds report the effect of discounts, premiums, and other similar items when debt is first issued, whereas these amounts are deferred and amortized over the term of the debt in the statement of actvities.	
Principal payments	8,135,000
Amortization of bond premium	745,713
Decrease in Medicaid note payable	80,917
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Compensated absences	(147,733)
OPEB expense	(1,720,000)
Net pension benefit resulting from changes in net pension liability, deferred outflows and inflows	(5,227,042)
Self-insured workers' compensation	(20,000)
Revenue earned but not available for use in current operations is not reported as revenue recognized and is deferred in the fund financial statements.	(1,075,111)
Change in net position of the Internal Service Fund is reported in the statement of activities, but not in the governmental funds.	883,667
Acquisitions of inventory and prepaid items under the purchases method in the governmental funds are treated as expenditures when purchased:	
Change in inventory and prepaids	(80,421)
Change in net position of governmental activities	$ 3,136,616

See accompanying notes.

Statement of Net Position – Proprietary Funds
September 30, 2016

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste Disposal	Universal Collection Fund	Total	Internal Service Fund
Assets:				
Current assets:				
Cash and equivalents	$ 20,324,357	$ 1,989,463	$ 22,313,820	$ 4,655,403
Investments	6,247,465	396,091	6,643,556	3,705,025
Receivables, net	161,710	117	161,827	3,633
Due from other governments	12,518	-	12,518	-
Due from other funds	303,158	137,110	440,268	17,772
Total current assets	27,049,208	2,522,781	29,571,989	8,381,833
Noncurrent assets:				
Restricted investments	277,843	-	277,843	-
Capital assets, net	4,267,482	-	4,267,482	-
Total noncurrent assets	4,545,325	-	4,545,325	-
Total assets	31,594,533	2,522,781	34,117,314	8,381,833
Deferred outflow of resources	598,586	52,042	650,628	-
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	675,557	712,642	1,388,199	67,311
Due to other funds	25	-	25	-
Deposits	238,043	-	238,043	-
Estimated liability for self-insured losses	-	-	-	1,743,092
Current portion of long-term liabilities	319,362	700	320,062	-
Total current liabilities	1,232,987	713,342	1,946,329	1,810,403
Noncurrent liabilities:				
Long-term liabilities	3,468,806	92,413	3,561,219	-
Total liabilities	4,701,793	805,755	5,507,548	1,810,403
Deferred inflow of resources	210,394	15,513	225,907	-
Net position:				
Net investment in capital assets	4,267,482	-	4,267,482	-
Unrestricted	23,013,450	1,753,555	24,767,005	6,571,430
Total net position	$ 27,280,932	$ 1,753,555	$ 29,034,487	$ 6,571,430

See accompanying notes.

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year ended September 30, 2016

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste Disposal	Universal Collection Fund	Total	Internal Service Fund
Operating revenues				
Charges for services	$ 9,836,580	$ 9,094,557	$ 18,931,137	$ 15,934,992
Sales	349,846	-	349,846	-
Total operating revenues	10,186,426	9,094,557	19,280,983	15,934,992
Operating expenses				
Personal services	1,435,893	124,484	1,560,377	-
Contracted services	-	8,340,125	8,340,125	-
Other operating expenses	7,218,718	211,646	7,430,364	1,149,878
Depreciation	115,073	-	115,073	-
Claims expense	-	-	-	13,923,474
Total operating expenses	8,769,684	8,676,255	17,445,939	15,073,352
Operating income	1,416,742	418,302	1,835,044	861,640
Nonoperating revenues				
Investment revenue	55,739	3,965	59,704	22,027
Franchise fees	1,010,566	-	1,010,566	-
Total nonoperating revenues	1,066,305	3,965	1,070,270	22,027
Income before transfers	2,483,047	422,267	2,905,314	883,667
Transfers in	77,450	47,961	125,411	-
Change in net position	2,560,497	470,228	3,030,725	883,667
Total net position, beginning of year	24,720,435	1,283,327	26,003,762	5,687,763
Total net position, end of year	$ 27,280,932	$ 1,753,555	$ 29,034,487	$ 6,571,430

See accompanying notes.

Statement of Cash Flows
Proprietary Funds
Year ended September 30, 2016

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste Disposal	Universal Collection Fund	Total	Internal Service Fund
Cash flows from operating activities				
Receipts from customers	$ 10,201,294	$ 9,094,632	$ 19,295,926	$ 16,004,108
Payments to suppliers	(7,276,905)	(8,587,833)	(15,864,738)	(16,621,002)
Payments to employees	(1,399,264)	(119,456)	(1,518,720)	-
Net cash provided(used) by operating activities	1,525,125	387,343	1,912,468	(616,894)
Cash flows from noncapital financing activities				
Transfers in	88,132	40,892	129,024	-
Franchise fees received	1,010,566	-	1,010,566	-
Net cash provided by noncapital financing activities	1,098,698	40,892	1,139,590	-
Cash flows from capital and related financing activities				
Purchase of capital assets	(2,582)	-	(2,582)	-
Cash flows from investing activities				
Net purchases of investments	(210,489)	-	(210,489)	(20,743)
Net proceeds from sale of investments	-	171,696	171,696	-
Interest received	55,739	3,965	59,704	22,027
Net cash provided (used) by investing activities	(154,750)	175,661	20,911	1,284
Net increase (decrease) in cash and cash equivalents	2,466,491	603,896	3,070,387	(615,610)
Cash and cash equivalents, beginning of year	17,857,866	1,385,567	19,243,433	5,271,013
Cash and cash equivalents, end of year	$ 20,324,357	$ 1,989,463	$ 22,313,820	$ 4,655,403
Reconciliation of operating income(loss) to net cash provided(used) by operating activities:				
Operating income(loss)	$ 1,416,742	$ 418,302	$ 1,835,044	$ 861,640
Depreciation	115,073	-	115,073	-
Changes in assets and liabilities:				
Accounts receivable	6,541	75	6,616	82,090
Due from other governments	6,146	-	6,146	-
Deferred outflows	(328,555)	(30,734)	(359,289)	-
Interfund activity - Internal service	-	-	-	(12,974)
Accounts payable and accrued liabilities	60,968	(36,062)	24,906	(43,657)
Deposits	2,181	-	2,181	-
Compensated absences	(17,123)	-	(17,123)	-
Net pension liability	456,803	42,730	499,533	-
Landfill postclosure costs	(119,155)	-	(119,155)	-
Estimated liability for self-insured losses	-	-	-	(1,503,993)
Deferred inflows	(74,496)	(6,968)	(81,464)	-
Net cash provided (used) by operating activities	$ 1,525,125	$ 387,343	$ 1,912,468	$ (616,894)

See accompanying notes.

Statement of Fiduciary Net Position
September 30, 2016

	Agency Funds
Assets:	
Cash and equivalents	$ 7,461,771
Receivables	85,376
Due from other funds	51
Total assets	7,547,198
Liabilities:	
Assets held for others	7,252,521
Due to other funds	294,677
Total liabilities	7,547,198
Net position	$ -

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Clay County, Florida (the "County") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

Reporting Entity

The County is a general purpose local government whose charter was established under the legal authority of the Constitution of the State of Florida. It is composed of an elected Board of County Commissioners and elected constitutional officers -- Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections -- that operate as separate county agencies.

The accompanying financial statements present the County as the primary government, and also present its component units, which are entities for which the County is considered to be financially accountable.

Blended Component Units – Although legally separate entities, blended component units are in substance part of the primary government's operations and, accordingly, data from these units, if any, would be combined with the data of the primary government. There are no blended component units included in the accompanying financial statements.

Discretely Presented Component Units – Discretely presented component units, on the other hand, are reported in a separate column in the financial statements to emphasize that they are legally separate entities.

For the Housing Finance Authority of Clay County, Florida ("HFA"), there were positive responses to the criteria used for establishing financial accountability. Accordingly, the HFA has been included in the County's financial statements as a discretely presented component unit.

The HFA is a dependent special district created by Ordinance 80-19, pursuant to Section 159.604, Florida Statutes. It is responsible for authorizing issuance of housing revenue bonds for the purpose of alleviating a shortage of affordable residential and rental housing facilities, and to provide for capital investment in such facilities for low and moderate income families and persons within the County. The members of the governing board of the HFA are appointed by the Board of County Commissioners who may alter or change the structure, organization, programs, or activities of HFA; terminate the HFA; remove members of the HFA; and review the budget of the HFA.

Complete financial statements for the component unit may be obtained at the entity's administrative offices:

The Housing Finance Authority of Clay County
PO Box 562
Orange Park, FL 32067-0562

Joint Ventures – The County does not participate in any joint ventures.

Related Organization – The County appoints the voting majority of the Clay County Utility Authority ("Authority"). However, the County is not financially accountable for the Authority and, accordingly, the Authority is not included in the County's financial reporting entity.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County approves the budget of the Lake Asbury Municipal Service Benefit District ("District"). However, the County is not financially accountable for the District and, accordingly, the District is not included in the County's financial reporting entity

Government-wide 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 nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: charges for services that are directly related to a given function; and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements, but all nonmajor funds are aggregated and displayed in a single column. The governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The County reports the following major governmental funds:

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

The Capital Improvement Projects Fund, a capital projects fund, accounts for resources to be used for the construction of various capital projects.

The Sheriff MSTU Fund, a special revenue fund, accounts for resources provided by taxes levied for municipal services.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County reports the following major enterprise funds:

The Solid Waste Disposal Fund accounts for refuse services that are financed and operated in a manner similar to private business enterprises.

The Universal Collection Fund accounts for the revenues and costs associated with residential refuse collection in unincorporated areas of the County.

Additionally, the County reports the following fiduciary fund type:

Agency funds account for resources held in a purely custodial capacity.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government. The County's internal service fund accounts for County employees' health insurance benefits and claim payments. Although the County's internal service fund is reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. 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 funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Taxes and certain intergovernmental revenues constitute the most significant sources of revenue considered susceptible to accrual. In governmental funds, expenditures are generally recognized when the related liability is incurred. However, debt service expenditures, and expenditures for compensated absences and claims and judgments, are recorded only when payment is due.

Agency fund assets and liabilities are accounted for on the accrual basis.

Cash Equivalents

For purposes of the Statement of Cash Flows, only highly liquid investments with original maturities of three months or less are considered to be cash equivalents.

Investments

Investments are reported at fair value, with the exception of investments in external investment pools that meet all of the necessary criteria to elect to be measured at amortized cost.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted investments represent unspent bond proceeds accumulated in the capital improvements funds, funds restricted for post-closure costs in the solid waste fund, and investments restricted for the various uses of the special revenue funds.

Inventory and Prepaid Items

Inventory is valued at cost under the first-in, first-out method and is accounted for using the purchases method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Nonspendable fund balance is reported in the governmental fund financial statements to indicate that inventories and prepaid items do not represent available spendable resources.

Accounts Receivable

Accounts receivable of the County are reported net of an allowance for uncollectible accounts of approximately $1,851,000.

Receivables for the discretely presented component unit are reported net of an allowance for uncollectible accounts of approximately $270,000.

Capital Assets

Capital assets are valued at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair value on the date donated. The thresholds for capitalizing capital assets are generally as follows:

Tangible personal property	$ 1,000
Building and building improvements	25,000
Land and land improvements	10,000
Roads	250,000
Subdivisions	250,000
Bridges	100,000
Sidewalks	50,000
Street light systems	100,000
Drainage systems	100,000

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation is calculated using the straight-line method over the following estimated useful lives:

	Years
Governmental activities:	
Buildings and infrastructure	50
Machinery and equipment	5
Computer equipment - greater than $10,000	5
Computer equipment - less than $10,000	3
Business-type activities:	
Buildings and improvements	20 - 50
Machinery and equipment	3 - 10

Amortization

Bond discounts, premiums and deferred amounts on refunding are amortized over the life of the bonds using a method that approximates the effective interest method.

Capitalization of Interest Costs

When applicable, for its enterprise operations, the County follows applicable guidelines to determine if interest costs related to construction of fixed assets should be capitalized.

Unearned Revenue

Unearned revenue is reported when the County receives cash payments prior to satisfying all of the eligibility requirements necessary to recognize these payments as revenue. Unearned revenue is reported as a liability in both the fund and government wide financial statements.

Compensated Absences

Personnel policies of the various county agencies allow a limited accumulation and vesting of unused employee vacation and sick leave. A liability is accrued when incurred in the government-wide and enterprise fund financial statements. However, a liability is reported in governmental funds only when payment is due.

Operating Revenues and Expenses

The proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Net Position

In the accompanying Statement of Net Position, Restricted Net Position is subject to restrictions beyond the County's control. The restriction is either externally imposed (for instance, by creditors, grantors, contributors, or laws/regulations of other governments) or is imposed by law through constitutional provisions or enabling legislation. It is the practice of the County to utilize restricted assets before unrestricted assets.

The accompanying Statement of Net Position includes approximately $16,000,000 of Net Position restricted by enabling legislation.

Fund Balance

The County follows the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the County's highest level of decision-making authority, which is an ordinance. Committed amounts cannot be used for any other purpose unless the County removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the County Commission or (b) a body or official to which the County Commission has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. When the components of fund balance can be used for the same purpose, it is the County's policy to expend resources in the following order: restricted, committed, assigned, and unassigned.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

In governmental funds, property tax revenues are recognized when levied, to the extent that they result in current receivables. Details of the property tax calendar are presented below:

Lien Date	January 1
Levy Date	October 1
Discount Period	November – February
No Discount Period	March
Delinquent Date	April 1

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits with Financial Institutions

All of the County's deposits and those of it's discretely presented component unit, The Housing Finance Authority of Clay County's ("HFA"), deposits are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, and, accordingly, are entirely insured by federal depository insurance or collateralized pursuant to the Florida Security for Public Deposits Act.

Investments

The County invests excess public funds pursuant to the guidelines established in Section 218.415, Florida Statutes. Accordingly, the County is authorized to invest excess public funds in the following instruments: The Local Government Investment Pool ("State Pool") or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating; savings accounts and certificates of deposit in qualified public depositories; and direct obligations of the U.S. Treasury.

Housing Finance Authority of Clay County Investments

HFA's investment policy allows it to invest excess public funds pursuant to the guidelines established in Section 218.415, Florida Statutes and in mortgage backed securities which HFA may receive as a result of refunding one of their bond programs.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

HFA's investments at September 30, 2016 consist of mortgage backed securities, reported at fair value of $121,120. These investments have a credit quality rating of AAA and a weighted average maturity of 16 years.

County Investments

The County's investments at September 30, 2016 are summarized in the following table:

Fund	Amount
Florida PRIME	$ 69,216,780
Florida SAFE	576,993
Florida Local Government Investment Trust	106,156
Total	$ 69,899,929

Florida Surplus Asset Trust Fund (Florida SAFE)

Florida SAFE is organized pursuant to Florida Statute 163.01. Florida SAFE is overseen by a Board of Trustees comprised of Florida local government officials, who are themselves participants in Florida SAFE. Florida SAFE is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the County's investment in Florida SAFE is reported at amortized cost. Florida SAFE seeks, but does not guarantee to maintain a constant net asset value at $1.00 per share.

Florida SAFE had a credit quality rating at September 30, 2016 of AAAM. The weighted average maturity (WAM) for Florida SAFE at September 30, 2016 was 41 days. The weighted average life (WAL) for Florida SAFE at September 30, 2016 was 73 days.

There were no redemption fees or maximum transaction amounts. The Fund's Indenture of Trust does provide for limited situations in which a participant's access to 100% of the account value is restricted. The Trustees have the authority to resume participant access to the Fund when the situation causing the restriction has been resolved.

Investment in State Pool (Florida PRIME)

The County invests surplus funds in the State Board of Administration's Local Government Surplus Funds Trust Fund. The Florida PRIME is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. The powers and duties of the SBA are defined in Florida Statute 218.409. In addition, Chapter 19-7 of the Florida Administrative Code identifies the rules and regulations governing the administration of the Florida PRIME. These rules provide guidance and establish the general operating procedures for the administration of the pool.

The Florida PRIME is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the County's investment in the Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

the value of the pool shares. The Florida PRIME had a credit quality rating at September 30, 2016 of AAAm. The weighted average maturity (WAM) of the Florida PRIME at September 30, 2016 was 50 days. The weighted average life (WAL) for Florida PRIME at September 30, 2016 was 70 days.

Florida "PRIME" was not exposed to any foreign currency risk during the period October 1, 2015 through September 30, 2016.

As of September 30, 2016, there were no redemption fees or maximum transaction amounts. Florida Statutes do provide for situations in which a participant's access to 100 percent of the account value is limited. The maximum amount of time provided to limit access is 17 days.

Florida Local Government Investment Trust (FLGIT)

FLGIT is an external investment pool administered by the Florida Association of Court Clerks and Comptrollers, and is not registered with the SEC. The Trust is an open-ended professionally managed fund available only to public entities in Florida. The fair value of the position in the FLGIT is equal to the value of the pool shares. Such investments are reported at fair value. FLGIT had a credit quality rating of AAAf and a weighted average maturity of 1.61 years at September 30, 2016.

Investment Risks

The County and HFA are exposed to the following risks associated with its investment portfolios:

Credit Risk – the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The County's policy is to limit credit risk by diversifying the investment portfolio so that potential loss on individual securities will be minimized and by limiting investments to specified credit ratings.

Interest Rate Risk – the risk that changes in interest rates will adversely affect the fair value of an investment.

The County's policy is to minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by limiting investment to those intended to maintain a constant share price or par value.

Investments and Fair Value Measurements

For the County's and HFA's investments that are measured at fair value, HFA's mortgage backed securities and the County's investment in FLGIT, the values are determined using guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered hierarchy as follows:

- Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets that a government can access at measurement date.
- Level 2 – Investments reflect prices that are based on inputs, other than quoted prices included within Level 1, that are observable for an asset, either directly or indirectly.
- Level 3 – Investments that are based on unobservable imputs for an asset.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Using the above guidelines all of the County's and HFA's investments that are measured at fair value are valued using Level 2 inputs.

NOTE 3 – INTERFUND BALANCES AND TRANSFERS

At September 30, 2016, interfund balances consisted of:

	Due to							
	General Fund	Sheriff MSTU	Solid Waste Disposal	Universal Disposal	Internal Service	Agency Funds	Nonmajor Governmental	Total Due from
Due from								
General fund	$ -	$527,187	$ 302,548	$136,241	$ 5,859	$ -	$ 10,239	$ 982,074
Solid Waste Disposal	25	-	-	-	-	-	-	25
Agency Funds	87,618	33,692	610	869	11,913	-	159,975	294,677
Nonmajor Funds	664,086	-	-	-	-	51	462,332	1,126,469
Total Due to	$ 751,729	$560,879	$ 303,158	$137,110	$ 17,772	$ 51	$ 632,546	$ 2,403,245

The interfund balances resulted from the normal course of operations and are expected to be paid within one year.

Interfund transfers are summarized below:

	Transfer Out				
	General Fund	Capital Improvement Projects	Sheriff MSTU	Nonmajor Governmental	Total Transfer In
Transfer in					
General fund	$ -	$ -	$ 15,402,229	$ 584,223	$ 15,986,452
Sheriff MSTU	556,686	-	-	-	556,686
Nonmajor governmental	663,764	9,462,075	219,840	1,671,662	12,017,341
Solid waste disposal	77,450	-	-	-	77,450
Universal collection	47,961	-	-	-	47,961
Total transfer out	$ 1,345,861	$ 9,462,075	$ 15,622,069	$ 2,255,885	$ 28,685,890

The transfer out of the Sheriff MSTU Fund resulted from the transfer of revenue, collected on behalf of the Sheriff, to the General Fund of the Sheriff. The transfer out of the Capital Improvement Projects Fund into the Nonmajor governmental category resulted from the transfer of revenue, that is pledged for debt service, into the respective debt service fund. All other transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

NOTE 4 – FUND BALANCE CLASSIFICATIONS

Fund balance is restricted for the following purposes:

	General Fund	Capital Improvement Projects	Sheriff MSTU	Other Governmental Funds	Total
Capital projects	$ -	$39,593,881	$ -	$ 1,222,470	$40,816,351
Debt service	-	-	-	8,169,435	8,169,435
Public safety	-	-	1,404,641	7,991,618	9,396,259
Transportation	-	-	-	3,610,070	3,610,070
Economic environment	-	-	-	3,021,163	3,021,163
Human services	-	-	-	2,288	2,288
Culture and recreation	-	-	-	1,128,448	1,128,448
Court costs	-	-	-	6,449,366	6,449,366
Municipal services	-	-	-	2,016,506	2,016,506
Election grants	184,653	-	-	-	184,653
Total restricted fund balance	$184,653	$39,593,881	$ 1,404,641	$33,611,364	$74,794,539

In the General Fund, fund balance of $21,110,737 is assigned for subsequent year's expenditures of the Board of County Commissioners and $3,673,810 is assigned for public safety-law enforcement.

NOTE 5 – CAPITAL ASSETS

A summary of changes in capital assets follows:

Governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 101,094,004	$ 1,496,874	$ -	$ 102,590,878
Construction in progress	224,656	4,570,212	-	4,794,868
Total capital assets not being depreciated	101,318,660	6,067,086	-	107,385,746
Capital assets being depreciated:				
Buildings and improvements	104,144,885	199,867	-	104,344,752
Machinery and equipment	61,946,292	4,885,684	5,275,854	61,556,122
Infrastructure	283,259,180	6,139,439	-	289,398,619
Total capital assets being depreciated	449,350,357	11,224,990	5,275,854	455,299,493
Less accumulated depreciation for:				
Buildings and improvements	35,945,411	2,616,490	-	38,561,901
Machinery and equipment	50,401,389	4,399,146	5,145,129	49,655,406
Infrastructure	99,370,057	9,707,610	-	109,077,667
Total accumulated depreciation	185,716,857	16,723,246	5,145,129	197,294,974
Total capital assets being depreciated, net	263,633,500	(5,498,256)	130,725	258,004,519
Total governmental activities, net	$ 364,952,160	$ 568,830	$ 130,725	$ 365,390,265

NOTE 5 – CAPITAL ASSETS (CONTINUED)

Business-type activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 986,525	$ -	$ -	$ 986,525
Capital assets being depreciated:				
Buildings and improvements	5,580,994	-	-	5,580,994
Machinery and equipment	1,392,628	2,582	133,688	1,261,522
Total capital assets being depreciated	6,973,622	2,582	133,688	6,842,516
Less accumulated depreciation for:				
Buildings and improvements	2,245,582	93,885	-	2,339,467
Machinery and equipment	1,334,592	21,188	133,688	1,222,092
Total accumulated depreciation	3,580,174	115,073	133,688	3,561,559
Total capital assets being depreciated, net	3,393,448	(112,491)	-	3,280,957
Total business-type activities, net	$ 4,379,973	$ (112,491)	$ -	$ 4,267,482

Depreciation expense was charged to the functions of the primary government as follows:

Governmental activities:	
General government	$ 3,052,221
Public safety	3,050,171
Transportation	10,367,250
Human services	58,370
Culture and recreation	76,143
Court costs	119,091
Total depreciation expense	$ 16,723,246
Business-type activities:	
Solid waste	$ 115,073

NOTE 6 – LONG-TERM LIABILITIES

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
2009 Infrastructure sales surtax revenue bonds	$ 25,665,000	$ -	$ 8,135,000	$ 17,530,000	$ 8,540,000
Original issue premium	2,237,136	-	745,713	1,491,423	-
Total bonds payable	27,902,136	-	8,880,713	19,021,423	8,540,000
Medicaid note payable	161,834	-	80,917	80,917	80,917
Compensated absences	12,237,423	9,720,488	9,572,755	12,385,156	6,456,500
Net pension liability	53,751,278	42,905,619	-	96,656,897	635,340
Net OPEB obligation	19,923,000	1,720,000	-	21,643,000	-
Governmental activity long-term liabilities	$ 113,975,671	$ 54,346,107	$ 18,534,385	$ 149,787,393	$ 15,712,757
Business-type activities:					
Compensated absences	$ 342,452	$ 24,000	$ 41,124	$ 325,328	$ 34,158
Net pension liability	688,874	499,534	-	1,188,408	8,060
Landfill postclosure care costs	2,486,700	-	119,155	2,367,545	277,844
Business-type activity long-term liabilities	$ 3,518,026	$ 523,534	$ 160,279	$ 3,881,281	$ 320,062

Bonds Payable

A brief synopsis of bonds payable follows:

$71,025,000 – 2009 Infrastructure Sales Surtax Revenue Bonds for capital projects within the County. Due in annual installments varying from $3,965,000 to $8,990,000, plus interest varying from 4.00% to 5.25% through October 1, 2018. The revenues of the discretionary sales surtax are pledged as collateral and the payments of the bonds are insured with a municipal bond issue insurance policy. The approximate amount of the pledge is equal to the remaining principal and interest of $18,922,300. During 2016, $17,617,694 of sales surtax was recognized and $9,462,075 was paid for debt service.	$ 17,530,000

The annual requirements to amortize bonds payable as of September 30, 2016, are as follows:

Year Ending September 30,	Principal	Interest	Total
2017	$ 8,540,000	$ 920,325	$ 9,460,325
2018	8,990,000	471,975	9,461,975
Total	$ 17,530,000	$ 1,392,300	$ 18,922,300

NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)

Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closures. Although postclosure care costs will be paid only near the end or after the date landfills stop accepting waste, the County reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each financial statement date. As of September 30, 2016, each of the County landfill sites have reached full capacity. The $2,367,545 reported as landfill postclosure care liability at September 30, 2016, represents the estimated remaining obligation for postclosure care costs for the landfill sites. Actual costs may differ due to inflation, deflation, technology, or changes in applicable laws or regulations. The estimate for post closure care costs is updated annually.

The County has restricted resources in the amount of $277,843 to provide for this liability in accordance with the regulations of the Florida Department of Environmental Protection

NOTE 7 – STATE OF FLORIDA PENSION PLANS

Defined Benefit Plans

The County participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $5. The minimum payment is $30 and the maximum payment is $150 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the County are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS. The Office's contribution rates as of September 30, 2016, were as follows:

	FRS	HIS
Regular class	5.86%	1.66%
Special risk class	20.91%	1.66%
Senior management service class	20.11%	1.66%
Elected officials	40.81%	1.66%
DROP from FRS	11.33%	1.66%

The County's contributions for the year ended September 30, 2016, were $7,295,678 to the FRS and $980,976 to the HIS.

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2016, the County reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2016, and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation dated July 1, 2016. The County's proportions of the net pension liabilities were based on the County's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability	$ 75,540,039	$ 22,305,264
Proportion at:		
Current measurement date	0.2992%	0.1914%
Prior measurement date	0.2726%	0.1885%
Pension expense	$ 11,927,953	$ 1,899,013

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,783,926	$ 703,329	$ -	$ 50,803
Changes of assumptions	4,569,946	-	3,500,263	-
Net difference between projected and actual earnings on pension plan investments	34,751,213	15,225,034	11,278	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,373,063	1,658,052	418,320	123,396
Employer contributions subsequent to the measurement date	2,233,086	-	261,333	-
Total	$ 51,711,234	$ 17,586,415	$ 4,191,194	$ 174,199

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2017. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30,	FRS	HIS
2017	$ 4,494,439	$ 668,669
2018	4,494,439	668,669
2019	12,080,387	668,669
2020	8,505,260	668,669
2021	1,791,950	580,439
Thereafter	525,258	500,547
Total	$31,891,733	$ 3,755,662

Actuarial Assumptions

The total pension liability for each of the defined benefit plans, measured as of June 30, 2016, was determined by an actuarial valuation dated July 1, 2016, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.60%	2.60%
Salary increases	3.25%	3.25%
Investment rate of return	7.60%	N/A
Discount rate	7.60%	2.85%

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions used in the valuation dated July 1, 2016 were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

The following changes in key actuarial assumptions occurred in 2016:

FRS: The long-term expected rate of return and the discount rate used to determine the total pension liability decreased from 7.65% to 7.60%.

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability decreased from 3.80% to 2.85%.

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation. The reduced investment return assumption of 7.60 percent, which was adopted by the Florida Retirement System Actuarial Assumption Conference, conflicts with the consulting actuary's judgment of a reasonable assumption as defined by Actuarial Standards of Practice No. 27.

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1%	3.0%	3.0%
Fixed income	18%	4.7%	4.6%
Global equity	53%	8.1%	6.8%
Real estate (property)	10%	6.4%	5.8%
Private equity	6%	11.5%	7.8%
Strategic investments	12%	6.1%	5.6%
	100%		

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 7.60%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 2.85% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the County's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)	1% Decrease (1.85%)	Current Discount Rate (2.85%)	1% Increase (3.85%)
Employer's proportionate share of the net pension liability	$139,074,326	$ 75,540,039	$ 22,656,136	$ 25,589,205	$ 22,305,264	$19,579,772

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2016, totaled $1,788,106.

NOTE 8 – OTHER POSTEMPLOYMENT BENEFIT PLAN

Plan Description

The County administers a single employer defined benefit plan for postemployment benefits other than pension benefits ("OPEB Plan"). The OPEB Plan provides post-employee life insurance benefits and a health insurance subsidy for retirees and eligible dependents.

The life insurance benefit is provided to retirees at a rate comparable to current employees. Eligible retired employees who retired prior to October 1, 1998 receive a decreasing amount of coverage based upon age. Retirees under the age of 65 receive the maximum $10,000 of coverage decreasing to $1,500 of coverage after age 79. Eligible employees who retired between October 1, 1998 and October 1, 1999 receive a fixed coverage amount of $10,000. Eligible employees who retired after October 1, 1999 receive a fixed coverage amount of $20,000.

NOTE 8 – OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

The County provides health care coverage through its self-insurance plan administered by Blue Cross Blue Shield of Florida for retired employees of the Board of Constitutional Officers. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for the County and have provided six or more years of service.

During 2010, the County amended its OPEB plan. The amendment stabilized the County's portion of retiree health insurance costs, thus making the retiree responsible for future cost increases.

As of October 1, 2016, the date of the latest actuarial valuation, plan participation consisted of 1,154 active employees and 432 retirees receiving benefits. A separate stand-alone financial statement is not prepared for the OPEB Plan.

Funding Policy

The contribution requirements of the plan members and the County are established and may be amended by the Clay County Board of County Commissioners. A trust has not been established. Contributions are being made based on pay-as-you-go financing requirements.

Annual OPEB Cost and Net OPEB Obligation

The annual cost (expense) of the County's OPEB Plan is calculated based on the Annual Required Contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB Plan cost for the year, the amount actually contributed by the County, and the changes in the net OPEB Plan obligation as reported in the Governmental Activities:

Annual required contribution	$	2,981,000
Interest on net OPEB obligation		697,000
Adjustments to ARC		(874,000)
Annual OPEB cost (expense)		2,804,000
Contributions made		(1,084,000)
Increase in net OPEB obligation		1,720,000
Net OPEB obligation - beginning of year		19,923,000
Net OPEB obligation - end of year	$	21,643,000

Trend Information:

Year Ended	Annual OPEB Cost	Actual Employer Contribution	Percentage Contributed	Net OPEB Obligation
2016	$ 2,804,000	$ 1,084,000	38.66%	$ 21,643,000
2015	3,123,000	1,150,000	36.82%	19,923,000
2014	2,952,000	1,029,000	34.86%	17,950,000

NOTE 8 – OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial methods are:

Actuarial cost method	Projected unit credit
Amortization method	Closed
Amortization period (closed)	25 years
Asset valuation method	N/A

The actuarial assumptions are:

Investment rate of return	3.5%
Projected annual salaries increase	3.0%
Inflation rate	2.3%
Mortality	RP-2000 Fully Generational Combined Healthy Table
Healthcare cost trend rate	5.9% is the initial rate. The rate in 2060 is 5.04%

Funded Status and Funding Progress

The OPEB contributions made for the 2016 fiscal year were 38.66% of the annual OPEB cost. As of the actuarial valuation report dated October 1, 2016, the actuarial value of assets was $0, the actuarial accrued liability for benefits was $35.3 million, the unfunded actuarial accrued liability (UAAL) was also $35.3 million, the funded ratio was 0%. The covered payroll was approximately $60 million.

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

NOTE 9 – RISK MANAGEMENT

Commercial Insurance

The County carries commercial insurance for certain risks, including health insurance. There were no significant reductions in insurance coverage during 2016. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Self-Insurance – Workers' Compensation

The County has a self-insurance program for its workers' compensation insurance. The activities of the self-insurance program are administered by a third party and are accounted for in the County's General Fund. The County has purchased commercial stop loss insurance which caps the County's liability at $550,000 per claim

In the government-wide financial statements, the County has reported an estimated liability for self-insured losses of $1,500,000. The estimated liability for self-insured losses is based on reported claims, historical loss data, industry statistics for incurred but not reported claims, and a valuation performed by an independent consultant.

The change in the estimated liability for self-insured losses is as follows:

Year Ended	Beginning of Year Liability	Claims Incurred	Claims Paid	End of Year Liability
2014	$ 124,900	$ 1,306,100	$ 556,000	$ 875,000
2015	875,000	1,433,500	828,500	1,480,000
2016	1,480,000	1,263,900	1,243,900	1,500,000

Self-Insurance – Health and Disability

The County is exposed to various risks of loss related to employee health, and short-term disability claims for which it is self-insured. An excess coverage insurance policy covers claims in excess of $250,000.

Liabilities are reported if information prior to the issuance of the financial statements indicate that it is probable that a loss has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated, including an estimate for those claims incurred but not reported (IBNRs).

This estimate is based on historical experience and current trends, and is reported at current dollar value in the County's health insurance internal service fund.

NOTE 9 – RISK MANAGEMENT (CONTINUED)

Changes in the fund's claims liability were as follows:

Year Ended	Beginning of Year Liability	Claims Incurred	Claims Paid	End of Year Liability
2014	3,742,327	11,541,215	12,355,848	2,927,694
2015	2,927,694	12,998,232	12,678,841	3,247,085
2016	3,247,085	13,923,474	15,427,467	1,743,092

NOTE 10 – OPERATING LEASES

The County has executed several leases that are classified as operating leases. The total cost for 2016 was approximately $402,655.

The future minimum lease payments under these leases are approximately as follows:

Year Ending September 30,		Amount
2017	$	400,882
2018		342,643
2019		310,953
2020		246,523
2021		51,349
Thereafter		241,156
Total	$	1,593,506

NOTE 11 – CONTINGENT LIABILITIES

The County is sometimes involved in litigation in the normal course of operations. It is the opinion of management and the County's attorney that any unrecorded, uninsured claims resulting from such litigation would not be material in relation to the County's financial condition.

NOTE 12 – FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued statements that will become effective in 2017. The statements address:

- Certain pension issues;
- Other postemployment benefit (OPEB) plans;
- Tax abatement disclosures; and
- Blending certain component units.

The County is currently evaluating the effects that these statements will have on its 2017 financial statements.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
Revenues:				
Taxes	$ 51,946,738	$ 51,946,738	$ 54,404,963	$ 2,458,225
Licenses and permits	11,784	11,784	11,196	(588)
Intergovernmental	17,823,509	18,558,777	18,684,728	125,951
Charges for services	7,515,482	7,597,448	9,302,405	1,704,957
Fines and forfeitures	3,000	3,000	59,074	56,074
Miscellaneous	1,819,474	1,820,474	1,291,814	(528,660)
Total revenues	79,119,987	79,938,221	83,754,180	3,815,959
Expenditures:				
Current:				
County commissioners	660,929	660,929	535,438	125,491
County manager	435,669	435,669	395,591	40,078
Human resources	287,934	319,683	276,811	42,872
Risk manager	2,945,454	3,780,454	3,741,435	39,019
MIS department	2,068,948	2,040,448	1,875,697	164,751
Health department	919,462	919,462	915,875	3,587
County auditor	135,221	135,221	133,281	1,940
County comptroller	1,518,241	1,518,241	1,273,796	244,445
Budget director	201,979	201,979	186,498	15,481
Purchasing	362,564	362,564	339,716	22,848
County attorney	731,667	978,707	886,957	91,750
Sheriff	44,163,906	44,201,870	42,730,155	1,471,715
Property appraiser	2,990,044	2,993,325	2,936,793	56,532
Tax collector	4,625,241	4,730,411	4,557,609	172,802
Board of tax adjustment	76,000	76,000	67,187	8,813
Clerk of court	2,183,483	2,160,265	1,668,811	491,454
Filing fee costs	5,000	5,000	2,283	2,717
Circuit court	4,000	4,000	-	4,000
Court Facility	-	25,000	24,090	910
Juvenile detention	700,000	700,000	152,134	547,866
County court	3,700	3,700	530	3,170
State attorney	3,300	3,300	1,244	2,056
Supervisor of elections	2,196,070	2,198,070	1,688,681	509,389
Building maintenance	3,088,656	3,088,656	2,597,407	491,249
Historical commission	7,500	7,500	1,900	5,600
Veterans service officer	65,393	65,393	55,210	10,183
Council on aging	741,370	741,370	738,455	2,915
Economic development	226,272	226,272	208,015	18,257
Keystone CRA	34,332	36,530	36,530	-
Medical examiner	515,000	640,000	628,600	11,400
Rescue services	12,848,116	12,789,783	11,954,974	834,809
Assistance to Fire Fighter Grant	49,843	11,826	-	11,826
EMS Match County Grant	-	233,333	-	233,333
EMPG Supplemental Grant	-	13,893	-	13,893
Public safety admin/comm	1,683,833	1,683,833	1,502,043	181,790
Emergency management	163,471	163,471	130,763	32,708
SHS Issue 08	11,308	11,557	11,305	252
SHS Issue 10	-	74,154	2,520	71,634
SHSGP Issue 20	114,076	114,076	104,603	9,473
SHSGP Issue 21	-	32,675	18,578	14,097
LAE Shelter Retrofit	30,704	31,908	25,340	6,568
EMS grant	16,081	35,128	32,192	2,936
Hospital services	70,000	70,000	3,982	66,018

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
Public assistance services	2,172,302	2,172,302	2,144,405	27,897
Aid to private organizations	295,612	305,612	305,612	-
Animal care & control	1,426,095	1,426,095	989,779	436,316
Parks and recreation admin	2,846,198	2,846,198	1,954,629	891,569
Wal-Mart park	7,100	7,100	-	7,100
Oak Leaf park	-	100,000	-	100,000
DEO Grant Moody Park	-	200,000	-	200,000
Libraries administration	648,427	676,927	559,531	117,396
Orange Park library	693,180	693,180	478,568	214,612
GCS library	235,930	235,930	198,412	37,518
Keystone Heights library	195,465	195,465	163,955	31,510
Middleburg library	265,343	265,343	226,565	38,778
Library headquarters	792,004	792,004	657,895	134,109
Agriculture agent	498,971	498,971	446,428	52,543
Soil conservation	1,000	1,000	796	204
Transit Authority	73,000	73,000	63,833	9,167
Fleet/fuel management	3,334,670	3,334,670	2,071,512	1,263,158
Knowles/H.P. clean-up	20,000	20,000	19,215	785
Black Creek Hills MSBU	14,372	14,372	10,396	3,976
Fine and forfeiture	5,939,448	5,877,670	4,462,904	1,414,766
Contingencies	16,511,706	15,235,721	-	15,235,721
Total expenditures	122,855,590	123,497,216	97,197,464	26,299,752
Excess of revenues over (under) expenditures	(43,735,603)	(43,558,995)	(13,443,284)	30,115,711
Other financing sources (uses)				
Transfers in	17,432,414	17,255,806	15,986,452	(1,269,354)
Transfers out	(660,500)	(660,500)	(1,345,861)	(685,361)
Total other financing sources (uses)	16,771,914	16,595,306	14,640,591	(1,954,715)
Net change in fund balances	(26,963,689)	(26,963,689)	1,197,307	28,160,996
Fund balances – beginning of year	26,963,689	26,963,689	29,934,743	2,971,054
Change in prepaid	-	-	1,313	1,313
Change in inventory	-	-	(73,763)	(73,763)
Fund balances – end of year	$ -	$ -	$ 31,059,600	$ 31,059,600

Note to Budgetary Comparison Schedules:

The preparation, adoption and amendments of the budgets are governed by Florida Statutes and County policy. The County Manager can authorize budget transfers within, but not between, divisions provided that the total of that division's budgeted appropriation does not change. The division is the legal level of control. Budgets are prepared and adopted on a basis that does not differ materially from generally accepted accounting principles. Appropriations lapse at year-end.

(Concluded)

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Sheriff MSTU
Year ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
Revenues:				
Taxes	$ 17,110,332	$ 17,110,332	$ 17,350,395	$ 240,063
Miscellaneous	10,000	10,000	35,827	25,827
Total revenues	17,120,332	17,120,332	17,386,222	265,890
Expenditures:				
Current:				
Public safety	2,283,006	2,283,006	1,977,487	305,519
Contingencies	6,548	6,548	-	6,548
Total expenditures	2,289,554	2,289,554	1,977,487	312,067
Excess of revenues over expenditures	14,830,778	14,830,778	15,408,735	577,957
Other financing sources (uses)				
Transfers in	-	-	556,686	556,686
Transfers out	(15,622,069)	(15,622,069)	(15,622,069)	-
Total other financing sources (uses)	(15,622,069)	(15,622,069)	(15,065,383)	556,686
Net change in fund balances	(791,291)	(791,291)	343,352	1,134,643
Fund balances – beginning of year	791,291	791,291	1,061,289	269,998
Fund balances – end of year	$ -	$ -	$ 1,404,641	$ 1,404,641

Note to Budgetary Comparison Schedules:

The preparation, adoption and amendments of the budgets are governed by Florida Statutes and County policy. The County Manager can authorize budget transfers within, but not between, divisions provided that the total of that division's budgeted appropriation does not change. The division is the legal level of control. Budgets are prepared and adopted on a basis that does not differ materially from generally accepted accounting principles. Appropriations lapse at year-end.

Other Postemployment Benefits
For the Year ended September 30, 2016

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Unit Cost (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as % of Covered Payroll (B-A)/C
10/1/2016	$ -	$ 35,273,000	$ 35,273,000	0%	$ 59,382,391	59.40%
10/1/2013	$ -	$ 30,639,000	$ 30,639,000	0%	$ 58,284,023	52.57%
10/1/2011	$ -	$ 23,956,000	$ 23,956,000	0%	$ 64,117,938	37.36%

Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Actual Employer Contribution	Percentage Contributed
9/30/2016	$ 2,804,000	$ 1,084,000	38.66%
9/30/2015	$ 3,167,000	$ 1,150,000	36.31%
9/30/2014	$ 2,968,000	$ 1,029,000	34.67%
9/30/2013	$ 2,451,000	$ 848,000	34.60%
9/30/2012	$ 2,301,000	$ 779,000	33.85%
9/30/2011	$ 1,748,000	$ 880,000	50.34%
9/30/2010	$ 1,748,000	$ 880,000	50.34%
9/30/2009	$ 12,236,000	$ 1,953,000	15.96%

Schedules of Proportionate Share of Net Pension Liability
Last 10 Fiscal Years (1)

Florida Retirement System	2016	2015
Employer's proportion of the net pension liability (asset)	0.2992%	0.2726%
Employer's proportionate share of the net pension liability (asset)	$ 75,540,039	$ 35,215,863
Employer's covered-employee payroll	$ 48,743,295	$ 56,882,338
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	154.98%	61.91%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%

Health Insurance Subsidy Program	2016	2015
Employer's proportion of the net pension liability (asset)	0.1914%	0.1885%
Employer's proportionate share of the net pension liability (asset)	$ 22,305,264	$ 19,224,289
Employer's covered-employee payroll	$ 48,743,295	$ 56,882,338
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	45.76%	33.80%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%

Notes to schedules:

(1) The amounts presented for each fiscal year were determined as of the measurement date, which was June 30th of the current fiscal year.

(2) Covered-employee payroll includes defined benefit activities, investment plan members, and members in DROP.

GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

Schedules of Employer Contributions
Last 10 Fiscal Years

Florida Retirement System	2016	2015
Contractually required contribution	$ 7,295,678	$ 6,827,284
Contributions in relation to the contractually required contribution	7,295,678	6,827,284
Contribution deficiency (excess)	$ -	$ -
Employer's covered-employee payroll	$ 48,366,205	$ 57,363,328
Contributions as a percentage of covered-employee payroll	15.08%	11.90%

Health Care Subsidy Program	2016	2015
Contractually required contribution	$ 980,976	$ 790,040
Contributions in relation to the contractually required contribution	980,976	790,040
Contribution deficiency (excess)		$ -
Employer's covered-employee payroll	$ 48,366,205	$ 57,363,328
Contributions as a percentage of covered-employee payroll	2.03%	1.38%

Notes to schedules:

(1) Covered-employee payroll icludes defined benefit plan activities, investment plan members, and members in DROP.
GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

Supplemental Information

Combining Balance Sheet - Board and Officers
September 30, 2016

	Board of County Commissioners	Fine and Forfeiture	Sheriff	Clerk of Court	Property Appraiser	Tax Collector	Supervisor of Elections	Eliminations	Combined General Fund
Assets:									
Cash and equivalents	$ 17,526,437	$ 2,612,299	$ 3,504,849	$ 178,206	$ 118,471	$ 1,358,627	$ 309,356	$ -	$ 25,608,245
Investments	7,365,448	87,315	-	-	-	-	-	-	7,452,763
Due from other funds	2,223,770	1,032,549	8,326	-	-	-	-	(2,512,916)	751,729
Due from other governments	1,356,764	145,702	-	2,835	-	-	-	-	1,505,301
Receivables	3,350,555	52	129,016	-	-	-	-	-	3,479,623
Prepaid	-	-	-	4,436	-	-	-	-	4,436
Inventory	107,841	-	268,447	-	-	-	-	-	376,288
Total assets	$ 31,930,815	$ 3,877,917	$ 3,910,638	$ 185,477	$ 118,471	$ 1,358,627	$ 309,356	$ (2,512,916)	$ 39,178,385
Liabilities:									
Accounts payable	$ 2,049,846	$ 92,085	$ 2,098,257	$ 33,296	$ 51,762	$ -	$ 36,232	$ -	$ 4,361,478
Due to other funds	313,473	-	1,534,057	147,745	65,565	1,345,679	88,471	(2,512,916)	982,074
Due to other governments	1,318	-	9,877	-	1,144	12,948	-	-	25,287
Unearned revenues	175,000	112,022	-	-	-	-	-		287,022
Total liabilities	2,539,637	204,107	3,642,191	181,041	118,471	1,358,627	124,703	(2,512,916)	5,655,861
Deferred inflow of resources:									
Unavailable revenue	2,462,924	-	-	-	-	-	-	-	2,462,924
Fund balances:									
Nonspendable:									
Prepaids	-	-	-	4,436	-	-	-	-	4,436
Inventory	107,841	-	268,447	-	-	-	-	-	376,288
Restricted	-	-	-	-	-	-	184,653	-	184,653
Assigned	21,110,737	3,673,810	-	-	-	-	-	-	24,784,547
Unassigned	5,709,676	-	-	-	-	-	-	-	5,709,676
Total fund balances	26,928,254	3,673,810	268,447	4,436	-	-	184,653	-	31,059,600
Total liabilities, deferred inflow of resources and fund balances	$ 31,930,815	$ 3,877,917	$ 3,910,638	$ 185,477	$ 118,471	$ 1,358,627	$ 309,356	$ (2,512,916)	$ 39,178,385

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Board of County Commissioners			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ 20,646,961	$ 20,646,961	$ 22,599,656	$ 1,952,695
Licenses and permits	11,784	11,784	11,196	(588)
Intergovernmental	17,309,182	17,887,389	18,074,490	187,101
Charges for services	4,587,000	4,587,000	4,898,590	311,590
Fines and forfeitures	1,000	1,000	600	(400)
Miscellaneous	1,755,900	1,755,900	1,146,314	(609,586)
Total revenues	44,311,827	44,890,034	46,730,846	1,840,812
Expenditures:				
Current:				
General government	17,305,306	18,393,132	16,319,304	2,073,828
Public safety	16,132,430	16,535,637	14,563,052	1,972,585
Physical environment	519,971	519,971	466,439	53,532
Transportation	3,407,670	3,407,670	2,145,741	1,261,929
Economic development	325,997	328,195	298,492	29,703
Human services	5,624,841	5,634,841	5,098,108	536,733
Culture and recreation	5,691,146	6,019,646	4,241,455	1,778,191
Court costs	16,000	41,000	28,147	12,853
Contingencies	16,511,708	15,235,720	-	15,235,720
Total expenditures	65,535,069	66,115,812	43,160,738	22,955,074
Excess of revenues over (under) expenditures	(21,223,242)	(21,225,778)	3,570,108	24,795,886
Other financing sources (uses)				
Transfers in	1,800,000	1,800,000	1,996,048	196,048
Transfers out	(5,220,326)	(5,217,790)	(5,192,475)	25,315
Total other financing sources (uses)	(3,420,326)	(3,417,790)	(3,196,427)	221,363
Net change in fund balances	(24,643,568)	(24,643,568)	373,681	25,017,249
Fund balances – beginning of year	24,643,568	24,643,568	26,557,698	1,914,130
Change in prepaid	-	-	-	-
Change in inventory	-	-	(3,125)	(3,125)
Fund balances – end of year	$ -	$ -	$ 26,928,254	$ 26,928,254

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Sheriff			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	1,477	1,477
Total revenues	-	-	1,477	1,477
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	42,790,880	42,828,844	41,433,852	1,394,992
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	1,373,026	1,373,026	1,296,303	76,723
Contingencies	-	-	-	-
Total expenditures	44,163,906	44,201,870	42,730,155	1,471,715
Excess of revenues over (under) expenditures	(44,163,906)	(44,201,870)	(42,728,678)	1,473,192
Other financing sources (uses)				
Transfers in	44,163,906	44,201,870	44,201,870	-
Transfers out	-	-	(1,473,192)	(1,473,192)
Total other financing sources (uses)	44,163,906	44,201,870	42,728,678	(1,473,192)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	339,085	339,085
Change in prepaid	-	-	-	-
Change in inventory	-	-	(70,638)	(70,638)
Fund balances – end of year	$ -	$ -	$ 268,447	$ 268,447

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Clerk of the Court			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	1,005,400	982,182	1,129,911	147,729
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,005,400	982,182	1,129,911	147,729
Expenditures:				
Current:				
General government	1,336,910	1,307,994	1,307,978	16
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	69,439	75,137	75,137	-
Contingencies	-	-	-	-
Total expenditures	1,406,349	1,383,131	1,383,115	16
Excess of revenues over (under) expenditures	(400,949)	(400,949)	(253,204)	147,745
Other financing sources (uses)				
Transfers in	400,949	400,949	400,949	-
Transfers out	-	-	(147,745)	(147,745)
Total other financing sources (uses)	400,949	400,949	253,204	(147,745)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	3,123	3,123
Change in prepaid	-	-	1,313	1,313
Change in inventory	-	-	-	-
Fund balances – end of year	$ -	$ -	$ 4,436	$ 4,436

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Property Appraiser			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	49,891	49,905	48,802	(1,103)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	5,064	5,064
Total revenues	49,891	49,905	53,866	3,961
Expenditures:				
Current:				
General government	2,639,710	2,640,455	2,585,042	55,413
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Contingencies	-	-	-	-
Total expenditures	2,639,710	2,640,455	2,585,042	55,413
Excess of revenues over (under) expenditures	(2,589,819)	(2,590,550)	(2,531,176)	59,374
Other financing sources (uses)				
Transfers in	2,589,819	2,590,550	2,590,550	-
Transfers out	-	-	(59,374)	(59,374)
Total other financing sources (uses)	2,589,819	2,590,550	2,531,176	(59,374)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Change in prepaid	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	$ -	$ -	$ -	$ -

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Tax Collector			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	4,049,691	4,146,951	5,276,629	1,129,678
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	49,215	49,215
Total revenues	4,049,691	4,146,951	5,325,844	1,178,893
Expenditures:				
Current:				
General government	4,049,691	4,146,951	3,981,322	165,629
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Contingencies	-	-	-	-
Total expenditures	4,049,691	4,146,951	3,981,322	165,629
Excess of revenues over (under) expenditures	-	-	1,344,522	1,344,522
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(1,344,522)	(1,344,522)
Total other financing sources (uses)	-	-	(1,344,522)	(1,344,522)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Change in prepaid	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	$ -	$ -	$ -	$ -

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Supervisor of Elections			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	54,327	54,327	44,837	(9,490)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	3,574	3,574	6,176	2,602
Total revenues	57,901	57,901	51,013	(6,888)
Expenditures:				
Current:				
General government	1,840,917	1,842,917	1,562,905	280,012
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Contingencies	-	-	-	-
Total expenditures	1,840,917	1,842,917	1,562,905	280,012
Excess of revenues over (under) expenditures	(1,783,016)	(1,785,016)	(1,511,892)	273,124
Other financing sources (uses)				
Transfers in	1,617,367	1,619,367	1,619,367	-
Transfers out	-	-	(88,471)	(88,471)
Total other financing sources (us	1,617,367	1,619,367	1,530,896	(88,471)
Net change in fund balances	(165,649)	(165,649)	19,004	184,653
Fund balances – beginning of year	165,649	165,649	165,649	-
Change in prepaid	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	$ -	$ -	$ 184,653	$ 184,653

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Fine and Forfeiture			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ 31,299,777	$ 31,299,777	$ 31,805,307	$ 505,530
Licenses and permits	-	-	-	-
Intergovernmental	460,000	617,061	565,401	(51,660)
Charges for services	543,000	543,000	617,190	74,190
Fines and forfeitures	2,000	2,000	58,474	56,474
Miscellaneous	60,000	61,000	83,568	22,568
Total revenues	32,364,777	32,522,838	33,129,940	607,102
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	5,354,466	5,354,466	4,462,904	891,562
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Contingencies	584,982	523,202	-	523,202
Total expenditures	5,939,448	5,877,668	4,462,904	1,414,764
Excess of revenues over (under) expenditures	26,425,329	26,645,170	28,667,036	2,021,866
Other financing sources (uses)				
Transfers in	-	-	937,228	937,228
Transfers out	(28,579,801)	(28,799,642)	(28,799,642)	-
Total other financing sources (uses)	(28,579,801)	(28,799,642)	(27,862,414)	937,228
Net change in fund balances	(2,154,472)	(2,154,472)	804,622	2,959,094
Fund balances – beginning of year	2,154,472	2,154,472	2,869,188	714,716
Change in prepaid	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	$ -	$ -	3,673,810	$ 3,673,810

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Eliminations			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	(2,719,500)	(2,711,590)	(2,668,717)	(42,873)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	(2,719,500)	(2,711,590)	(2,668,717)	(42,873)
Expenditures				
Current:				
General government	(2,719,500)	(2,711,590)	(2,668,717)	42,873
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court costs	-	-	-	-
Contingencies	-	-	-	-
Total expenditures	(2,719,500)	(2,711,590)	(2,668,717)	42,873
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	(33,139,627)	(33,356,930)	(35,759,560)	(2,402,630)
Transfers out	33,139,627	33,356,930	35,759,560	2,402,630
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Change in prepaid	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	$ -	$ -	$ -	$ -

(Continued)

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Board and Officers
Year ended September 30, 2016

	Combined General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ 51,946,738	$ 51,946,738	$ 54,404,963	$ 2,458,225
Licenses and permits	11,784	11,784	11,196	(588)
Intergovernmental	17,823,509	18,558,777	18,684,728	125,951
Charges for services	7,515,482	7,597,448	9,302,405	1,704,957
Fines and forfeitures	3,000	3,000	59,074	56,074
Miscellaneous	1,819,474	1,820,474	1,291,814	(528,660)
Total revenues	79,119,987	79,938,221	83,754,180	3,815,959
Expenditures:				
Current:				
General government	24,453,034	25,619,859	23,087,834	2,532,025
Public safety	64,277,776	64,718,947	60,459,808	4,259,139
Physical environment	519,971	519,971	466,439	53,532
Transportation	3,407,670	3,407,670	2,145,741	1,261,929
Economic development	325,997	328,195	298,492	29,703
Human services	5,624,841	5,634,841	5,098,108	536,733
Culture and recreation	5,691,146	6,019,646	4,241,455	1,778,191
Court costs	1,458,465	1,489,163	1,399,587	89,576
Contingencies	17,096,690	15,758,922	-	15,758,922
Total expenditures	122,855,590	123,497,214	97,197,464	26,299,750
Excess of revenues over (under) expenditures	(43,735,603)	(43,558,993)	(13,443,284)	30,115,709
Other financing sources (uses)				
Transfers in	17,432,414	17,255,806	15,986,452	(1,269,354)
Transfers out	(660,500)	(660,502)	(1,345,861)	(685,359)
Total other financing sources (uses)	16,771,914	16,595,304	14,640,591	(1,954,713)
Net change in fund balances	(26,963,689)	(26,963,689)	1,197,307	28,160,996
Fund balances – beginning of year	26,963,689	26,963,689	29,934,743	2,971,054
Change in prepaid	-	-	1,313	1,313
Change in inventory	-	-	(73,763)	(73,763)
Fund balances – end of year	$ -	$ -	$ 31,059,600	$ 31,059,600

(Concluded)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds					
	County Transportation Fund	Florida Boating Improvement	Hidden Waters MSBU	County Alcohol and Other Drug Abuse	Court Facility	Law Enforcement Trust
Assets:						
Cash and equivalents	$ 1,775,898	$ 288,105	$ 14,115	$ -	$ 2,038,642	$ 108,929
Investments	1,733,082	646,414	-	-	2,230,882	82,612
Due from other funds	87,685	15,137	96	434	47,927	38,629
Due from other governments	695,748	-	-	-	-	-
Receivables	785	-	-	-	1	1
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	$ 4,293,198	$ 949,656	$ 14,211	$ 434	$ 4,317,452	$ 230,171
Liabilities:						
Accounts payable and accrued liabilities	$ 454,902	$ -	$ -	$ 2,487	$ 3,735	$ -
Due to other funds	174,180	-	8,538	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	44,000	-	-	-	-	-
Total liabilities	673,082	-	8,538	2,487	3,735	-
Deferred inflow of resources:						
Unavailable revenue	10,046	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepaids	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	3,610,070	949,656	5,673	(2,053)	4,313,717	230,171
Total fund balances	3,610,070	949,656	5,673	(2,053)	4,313,717	230,171
Total liabilities, deferred inflows, and fund balances	$ 4,293,198	$ 949,656	$ 14,211	$ 434	$ 4,317,452	$ 230,171

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds					
	Law Library	Tourist Development Trust	Second Dollar Sheriff Education	Free Library Fund	Investigative Drug	Legal Aid Fees
Assets:						
Cash and equivalents	$ 50,323	$ 884,083	$ 49,975	$ 28,922	$ 17,256	$ 35,589
Investments	-	906,332	3	153,411	57,589	-
Due from other funds	4,434	49,430	24,892	-	48,091	4,434
Due from other governments	-	-	-	-	-	-
Receivables	-	-	-	97	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	$ 54,757	$ 1,839,845	$ 74,870	$ 182,430	$ 122,936	$ 40,023
Liabilities:						
Accounts payable and accrued liabilities	$ 405	$ 1,089	$ -	$ 3,987	$ -	$ 35,682
Due to other funds	54,352	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	54,757	1,089	-	3,987	-	35,682
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-		-
Fund balances:						
Nonspendable:						
Prepaids	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	-	1,838,756	74,870	178,443	122,936	4,341
Total fund balances	-	1,838,756	74,870	178,443	122,936	4,341
Total liabilities, deferred inflows, and fund balances	$ 54,757	$ 1,839,845	$ 74,870	$ 182,430	$ 122,936	$ 40,023

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds					
	SHIP	Florida Arts License Tag	Court Mediation	Oak Forest Road MSBU	Teen Court	CDBG Grant Fund
Assets:						
Cash and equivalents	$ 1,020,282	$ 1,099	$ 3,795	$ 39,071	$ 9,310	$ 20,295
Investments	201,837	-	1,393	-	-	-
Due from other funds	-	-	-	225	4,930	-
Due from other governments	-	40	-	-	-	-
Receivables	1	-	-	-	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	$ 1,222,120	$ 1,139	$ 5,188	$ 39,296	$ 14,240	$ 20,295
Liabilities:						
Accounts payable and accrued liabilities	$ 60,000	$ 790	$ 1,050	$ -	$ -	$ -
Due to other funds	8	-	-	30,663	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	60,008	790	1,050	30,663	-	-
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepaids	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	1,162,112	349	4,138	8,633	14,240	20,295
Total fund balances	1,162,112	349	4,138	8,633	14,240	20,295
Total liabilities, deferred inflows, and fund balances	$ 1,222,120	$ 1,139	$ 5,188	$ 39,296	$ 14,240	$ 20,295

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds					
	Student Driver Education	Municipal Service	Blue Jay MSBU	911 Wireless	State Court Local Requirements	Two Dollar Recording Fee
Assets:						
Cash and equivalents	$ 32,144	$ 680,121	$ 65,195	$ 297,028	$ 573	$ 391,007
Investments	22,593	1,377,784	-	578,484	557,336	-
Due from other funds	4,024	40	440	-	118,007	90,619
Due from other governments	-	160	-	73,406	-	-
Receivables	-	10,368	-	1	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	$ 58,761	$ 2,068,473	$ 65,635	$ 948,919	$ 675,916	$ 481,626
Liabilities:						
Accounts payable and accrued liabilities	$ -	$ 83,264	$ -	$ 15,737	$ 58,996	$ -
Due to other funds	-	137	48,484	7	-	-
Due to other governments	-	23	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	83,424	48,484	15,744	58,996	-
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepaids	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	58,761	1,985,049	17,151	933,175	616,920	481,626
Total fund balances	58,761	1,985,049	17,151	933,175	616,920	481,626
Total liabilities, deferred inflows, and fund balances	$ 58,761	$ 2,068,473	$ 65,635	$ 948,919	$ 675,916	$ 481,626

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds					
	Crime Prevention Program	Juvenile Program	Building	Fire MSTU	Fire Inspection Fee Fund	Sheriff Federal Forfeiture-Law Enforcement Trust Fund
Assets:						
Cash and equivalents	$ 68,812	$ 54,787	$ 1,709,938	$ 1,276,644	$ 45,163	$ 30,492
Investments	173,760	-	2,891,846	279,387	-	-
Due from other funds	7,713	4,434	-	477	-	-
Due from other governments	-	-	7,140	17,486	-	-
Receivables	-	-	3	7	-	-
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	$ 250,285	$ 59,221	$ 4,608,927	$ 1,574,001	$ 45,163	$ 30,492
Liabilities:						
Accounts payable and accrued liabilities	$ -	$ -	$ 65,950	$ 123,608	$ 3,756	$ -
Due to other funds	-	59,221	28	-	-	30,492
Due to othe governments	-	-	9,386	117	-	-
Unearned revenue	-	-	-	17,486	-	-
Total liabilities	-	59,221	75,364	141,211	3,756	30,492
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	1,289	-
Fund balances:						
Nonspendable:						
Prepaids	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Restricted	250,285	-	4,533,563	1,432,790	40,118	-
Total fund balances	250,285	-	4,533,563	1,432,790	40,118	-
Total liabilities, deferred inflows, and fund balances	$ 250,285	$ 59,221	$ 4,608,927	$ 1,574,001	$ 45,163	$ 30,492

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds					
	Sheriff Inmate Welfare Fund	Sheriff Grant Fund	2nd Dollar Sheriff Education Fund	Sheriff Drug Investigative Fund	Sheriff Crime Prevention Program Fund	Sheriff $12.50 Motor Vehicle Surcharge Fund
Assets:						
Cash and equivalents	$ 281,211	$ 29,071	$ 22,540	$ 47,638	$ 932	$ 68,222
Investments	-	-	-	-	-	-
Due from other funds	226	-	-	-	-	-
Due from other governments	-	4,621	-	-	-	-
Receivables	43,287	-	-	2	-	1
Prepaid costs	-	-	-	-	-	-
Inventory	-	-	-	-	-	11,421
Total assets	$ 324,724	$ 33,692	$ 22,540	$ 47,640	$ 932	$ 79,644
Liabilities:						
Accounts payable and accrued liabilities	$ 1,449	$ -	$ 95	$ -	$ -	$ -
Due to other funds	8,326	33,692	22,445	47,640	932	68,223
Due to othe governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	9,775	33,692	22,540	47,640	932	68,223
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable:						
Prepaids	-	-	-	-	-	-
Inventory	-	-	-	-	-	11,421
Restricted	314,949	-	-	-	-	-
Total fund balances	314,949	-	-	-	-	11,421
Total liabilities, deferred inflows, and fund balances	$ 324,724	$ 33,692	$ 22,540	$ 47,640	$ 932	$ 79,644

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds				
	Clerk Fine and Forfeiture	Clerk Records Modernization	Clerk Information Technology	Clerk BCC Technology	Clerk - CGD Supplementary Fee
Assets:					
Cash and equivalents	$ 680,353	$ 91,447	$ 233,693	$ 61,402	$ 5,028
Investments	-	77,166	27,808	-	1,182
Due from other funds	-	-	-	-	-
Due from other governments	155,608	-	15,615	-	-
Receivables	-	-	-	-	-
Prepaid costs	3,493	-	-	-	-
Inventory	-	-	-	-	-
Total assets	$ 839,454	$ 168,613	$ 277,116	$ 61,402	$ 6,210
Liabilities:					
Accounts payable and accrued liabilities	$ 104,925	$ 561	$ 1,677	$ 3,657	$ -
Due to other funds	481,356	-	-	57,745	-
Due to other governments	2,393	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	588,674	561	1,677	61,402	-
Deferred inflow of resources:					
Unavailable revenue	-	-	-	-	-
Fund balances:					
Nonspendable:					
Prepaids	3,493	-	-	-	-
Inventory	-	-	-	-	-
Restricted	247,287	168,052	275,439	-	6,210
Total fund balances	250,780	168,052	275,439	-	6,210
Total liabilities, deferred inflows, and fund balances	$ 839,454	$ 168,613	$ 277,116	$ 61,402	$ 6,210

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Special Revenue Funds			Debt Service Fund
	Clerk Teen Court	Clerk Clay County Archives	$12.50 Motor Vehicle Surcharge	Surtax Revenue Bonds 2009
Assets:				
Cash and equivalents	$ 26,326	$ 12,472	$ 202,337	$ -
Investments	-	-	2,995	8,169,435
Due from other funds	-	-	80,222	-
Due from other governments	-	-	-	-
Receivables	-	-	-	-
Prepaid costs	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 26,326	$ 12,472	$ 285,554	$ 8,169,435
Liabilities:				
Accounts payable and accrued liabilities	$ -	$ -	$ 2,615	$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	-	2,615	-
Deferred inflow of resources:				
Unavailable revenue	-	-	-	-
Fund balances:				
Nonspendable:				
Prepaids	-	-	-	-
Inventory	-	-	-	-
Restricted	26,326	12,472	282,939	8,169,435
Total fund balances	26,326	12,472	282,939	8,169,435
Total liabilities, deferred inflows, and fund balances	$ 26,326	$ 12,472	$ 285,554	$ 8,169,435

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2016

	Capital Projects Funds					
	CIP Northeast Sector	CIP West Sector	Branan Field APF	Sidewalk Fund	Lake Asbury APF	Total
Assets:						
Cash and equivalents	$ 117,381	$ 97,963	$ 375,180	$ 28,505	$ 11,449	$ 13,430,743
Investments	303,878	120,617	167,497	-	-	20,765,323
Due from other funds	-	-	-	-	-	632,546
Due from other governments	-	-	-	-	-	969,824
Receivables	-	-	-	-	-	54,554
Prepaid costs	-	-	-	-	-	3,493
Inventory	-	-	-	-	-	11,421
Total assets	$ 421,259	$ 218,580	$ 542,677	$ 28,505	$ 11,449	$ 35,867,904
Liabilities:						
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ -	$ -	$ 1,030,417
Due to other funds	-	-	-	-	-	1,126,469
Due to other governments	-	-	-	-	-	11,919
Unearned revenue	-	-	-	-	-	61,486
Total liabilities	-	-	-	-	-	2,230,291
Deferred inflow of resources:						
Unavailable revenue	-	-	-	-	-	11,335
Fund balances:						
Nonspendable:						
Prepaids	-	-	-	-	-	3,493
Inventory	-	-	-	-	-	11,421
Restricted	421,259	218,580	542,677	28,505	11,449	33,611,364
Total fund balances	421,259	218,580	542,677	28,505	11,449	33,626,278
Total liabilities, deferred inflows, and fund balances	$ 421,259	$ 218,580	$ 542,677	$ 28,505	$ 11,449	$ 35,867,904

(Concluded)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds					
	County Transportation Fund	Florida Boating Improvement	Hidden Waters MSBU	County Alcohol and Other Drug Abuse	Court Facility	Law Enforcement Trust
Revenues:						
Taxes	$ 5,131,217	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	79,564	11,612	-	-	-
Intergovernmental	3,321,488	-	-	-	-	-
Charges for services	-	-	-	6,504	579,844	-
Fines and forfeitures	47	-	-	-	-	78,842
Miscellaneous	160,662	3,587	1	9	12,723	549
Total revenues	8,613,414	83,151	11,613	6,513	592,567	79,391
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	299,678	-	-	-	-	-
Transportation	7,797,569	-	9,822	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	350,000	-	-
Culture and recreation	-	32,805	-	-	-	-
Court related	-	-	-	-	3,735	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	8,097,247	32,805	9,822	350,000	3,735	-
Excess of revenues over (under) expenditures	516,167	50,346	1,791	(343,487)	588,832	79,391
Other financing sources (uses):						
Transfers in	25,001	-	100	340,000	-	30,492
Transfers out	-	-	-	-	-	(496,430)
Total other financing sources (uses)	25,001	-	100	340,000	-	(465,938)
Net change in fund balances	541,168	50,346	1,891	(3,487)	588,832	(386,547)
Fund balances – beginning of year	3,068,902	899,310	3,782	1,434	3,724,885	616,718
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	$ 3,610,070	$ 949,656	$ 5,673	$ (2,053)	$ 4,313,717	$ 230,171

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds					
	Law Library	Tourist Development Trust	Second Dollar Sheriff Education	Free Library Fund	Investigative Drug	Legal Aid Fees
Revenues:						
Taxes	$ -	$ 605,242	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	59,209	-	29,800	4,673	-	59,209
Fines and forfeitures	-	-	-	88,905	2,305	-
Miscellaneous	11	5,154	23	1,011	1,165	21
Total revenues	59,220	610,396	29,823	94,589	3,470	59,230
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	278,976	-	-	-	-
Human services	-	-	-	-	-	142,729
Culture and recreation	-	-	-	228,752	-	-
Court related	4,867	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	4,867	278,976	-	228,752	-	142,729
Excess of revenues over (under) expenditures	54,353	331,420	29,823	(134,163)	3,470	(83,499)
Other financing sources (uses):						
Transfers in	-	5,530	22,445	-	47,640	64,000
Transfers out	(54,353)	-	(50,000)	-	(65,000)	-
Total other financing sources (uses)	(54,353)	5,530	(27,555)	-	(17,360)	64,000
Net change in fund balances	-	336,950	2,268	(134,163)	(13,890)	(19,499)
Fund balances – beginning of year	-	1,501,806	72,602	312,606	136,826	23,840
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	$ -	$ 1,838,756	$ 74,870	$ 178,443	$ 122,936	$ 4,341

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds					
	SHIP	Florida Arts License Tag	Court Mediation	Oak Forest Road MSBU	Teen Court	CDBG Grant Fund
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	29,057	-	-
Intergovernmental	981,698	2,204	-	-	-	-
Charges for services	-	-	-	-	51,487	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	114,740	-	6	11	3	7
Total revenues	1,096,438	2,204	6	29,068	51,490	7
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	32,310	-	-
Economic environment	744,099	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	2,475	-	-	-	-
Court related	-	-	13,219	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	744,099	2,475	13,219	32,310	-	-
Excess of revenues over (under)expenditures	352,339	(271)	(13,213)	(3,242)	51,490	7
Other financing sources (uses):						
Transfers in	-	-	-	225	25,729	-
Transfers out	-	-	-	-	(75,058)	-
Total other financing sources (uses)	-	-	-	225	(49,329)	-
Net change in fund balances	352,339	(271)	(13,213)	(3,017)	2,161	7
Fund balances beginning of year	809,773	620	17,351	11,650	12,079	20,288
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	$ 1,162,112	$ 349	$ 4,138	$ 8,633	$ 14,240	$ 20,295

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds					
	Student Driver Education	Municipal Service	Blue Jay MSBU	911 Wireless	State Court Local Requirements	Two Dollar Recording Fee
Revenues:						
Taxes	$ -	$ 849,135	$ -	$ -	$ -	$ -
Licenses and permits	-	42,919	53,763	-	-	-
Intergovernmental	-	16,622	-	813,057	-	-
Charges for services	49,982	365,869	-	-	59,209	350,533
Fines and forfeitures	-	50,061	-	-	-	-
Miscellaneous	441	121,310	19	54,028	3,439	148
Total revenues	50,423	1,445,916	53,782	867,085	62,648	350,681
Expenditures:						
Current:						
General government	-	728,843	-	-	-	-
Public safety	150,000	-	-	641,056	-	-
Physical environment	-	689,881	-	-	-	-
Transportation	-	-	51,472	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	-	-	-	267,687	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	150,000	1,418,724	51,472	641,056	267,687	-
Excess of revenues over (under) expenditures	(99,577)	27,192	2,310	226,029	(205,039)	350,681
Other financing sources (uses):						
Transfers in	-	-	419	-	113,573	57,745
Transfers out	-	-	-	(480,000)	-	(454,275)
Total other financing sources (uses)	-	-	419	(480,000)	113,573	(396,530)
Net change in fund balances	(99,577)	27,192	2,729	(253,971)	(91,466)	(45,849)
Fund balances – beginning of year	158,338	1,957,857	14,422	1,187,146	708,386	527,475
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	$ 58,761	$ 1,985,049	$ 17,151	$ 933,175	$ 616,920	$ 481,626

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds					
	Crime Prevention Program	Juvenile Program	Building	Fire MSTU	Fire Inspection Fee Fund	Sheriff Federal Forfeiture-Law Enforcement Trust Fund
Revenues:						
Taxes	$ -	$ -	$ -	$ 4,063,791	$ -	$ -
Licenses and permits	-	-	2,654,529	-	-	-
Intergovernmental	-	-	-	186,975	-	-
Charges for services	-	59,209	-	-	78,165	-
Fines and forfeitures	88,286	-	-	-	-	4,187
Miscellaneous	965	12	24,469	15,791	252	12
Total revenues	89,251	59,221	2,678,998	4,266,557	78,417	4,199
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	1,806,307	4,019,956	104,632	470,262
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	-	-	1,806,307	4,019,956	104,632	470,262
Excess of revenues over (under) expenditures	89,251	59,221	872,691	246,601	(26,215)	(466,063)
Other financing sources (uses):						
Transfers in	932	-	-	-	-	496,430
Transfers out	(110,000)	(59,221)	-	-	-	(30,492)
Total other financing sources (uses)	(109,068)	(59,221)	-	-	-	465,938
Net change in fund balances	(19,817)	-	872,691	246,601	(26,215)	(125)
Fund balances – beginning of year	270,102	-	3,660,872	1,186,189	66,333	125
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	-
Fund balances – end of year	$ 250,285	$ -	$ 4,533,563	$ 1,432,790	$ 40,118	$ -

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds					
	Sheriff Inmate Welfare Fund	Sheriff Grant Fund	2nd Dollar Sheriff Education Fund	Sheriff Drug Investigative	Sheriff Crime Prevention Program Fund	Sheriff $12.50 Motor Vehicle Surcharge Fund
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	336,704	-	-	8	4	13
Total revenues	336,704	-	-	8	4	13
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	293,308	190,770	27,555	17,368	109,072	86,790
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-	-
Total expenditures	293,308	190,770	27,555	17,368	109,072	86,790
Excess of revenues over (under) expenditures	43,396	(190,770)	(27,555)	(17,360)	(109,068)	(86,777)
Other financing sources (uses):						
Transfers in	-	219,840	50,000	65,000	110,000	155,000
Transfers out	-	(29,070)	(22,445)	(47,640)	(932)	(68,223)
Total other financing sources (uses)	-	190,770	27,555	17,360	109,068	86,777
Net change in fund balances	43,396	-	-	-	-	-
Fund balances – beginning of year	271,553	-	-	-	-	17,399
Change in prepaids	-	-	-	-	-	-
Change in inventory	-	-	-	-	-	(5,978)
Fund balances – end of year	$ 314,949	$ -	$ -	$ -	$ -	$ 11,421

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds				
	Clerk Fine and Forfeiture	Clerk Records Modernization	Clerk Information Technology	Clerk BCC Technology	Clerk - CGD Supplementary Fee
Revenues:					
Taxes	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	628,107	-	-	-	-
Charges for services	2,390,598	108,232	333,007	-	626
Fines and forfeitures	503,964	148,669	-	-	-
Miscellaneous	75,930	784	15,856	-	12
Total revenues	3,598,599	257,685	348,863	-	638
Expenditures:					
Current:					
General government	-	130,404	-	-	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Court related	3,621,947	132,218	269,938	396,530	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charge	-	-	-	-	-
Total expenditures	3,621,947	262,622	269,938	396,530	-
Excess of revenues over (under) expenditures	(23,348)	(4,937)	78,925	(396,530)	638
Other financing sources (uses):					
Transfers in	2,667	-	-	454,275	-
Transfers out	-	-	-	(57,745)	-
Total other financing sources (uses)	2,667	-	-	396,530	-
Net change in fund balances	(20,681)	(4,937)	78,925	-	638
Fund balances – beginning of year	273,454	172,989	196,514	-	5,572
Change in prepaids	(1,993)	-	-	-	-
Change in inventory	-	-	-	-	-
Fund balances – end of year	$ 250,780	$ 168,052	$ 275,439	$ -	$ 6,210

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Special Revenue Funds			Debt Service Fund
	Clerk Teen Court	Clay County Archives	$12.50 Motor Vehicle Surcharge	Surtax Revenue Bonds 2009
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	143,314	-
Miscellaneous	8,055	3,378	216	89,846
Total revenues	8,055	3,378	143,530	89,846
Expenditures:				
Current:				
General government	-	1,302	-	-
Public safety	-	-	67,738	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court related	5,142	-	-	-
Debt service:				
Principal retirement	-	-	-	8,135,000
Interest and fiscal charge	-	-	-	1,327,075
Total expenditures	5,142	1,302	67,738	9,462,075
Excess of revenues over (under) expenditures	2,913	2,076	75,792	(9,372,229)
Other financing sources (uses):				
Transfers in	-	-	268,223	9,462,075
Transfers out	-	-	(155,000)	-
Total other financing sources (uses)	-	-	113,223	9,462,075
Net change in fund balances	2,913	2,076	189,015	89,846
Fund balances – beginning of year	23,413	10,396	93,924	8,079,589
Change in prepaids	-	-	-	-
Change in inventory	-	-	-	-
Fund balances – end of year	$ 26,326	$ 12,472	$ 282,939	$ 8,169,435

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Capital Projects Funds					
	CIP Northeast Sector	CIP West Sector	Branan Field APF	Sidewalk Fund	Lake Asbury APF	Total
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 10,649,385
Licenses and permits	-	-	159,500	6,000	11,431	3,048,375
Intergovernmental	-	-	-	-	-	5,950,151
Charges for services	-	-	-	-	-	4,586,156
Fines and forfeitures	-	-	-	-	-	1,108,580
Miscellaneous	1,694	675	1,009	11	-	1,054,764
Total revenues	1,694	675	160,509	6,011	11,431	26,397,411
Expenditures:						
Current:						
General government	-	-	-	-	-	860,549
Public safety	-	-	-	-	-	7,984,814
Physical environment	-	-	-	-	-	989,559
Transportation	-	-	-	-	-	7,891,173
Economic environment	-	-	-	-	-	1,023,075
Human services	-	-	-	-	-	492,729
Culture and recreation	-	-	-	-	-	264,032
Court related	-	-	-	-	-	4,715,283
Debt service:						
Principal retirement	-	-	-	-	-	8,135,000
Interest and fiscal charge	-	-	-	-	-	1,327,075
Total expenditures	-	-	-	-	-	33,683,289
Excess of revenues over (under) expenditures	1,694	675	160,509	6,011	11,431	(7,285,878)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	12,017,341
Transfers out	-	-	-	-	-	(2,255,885)
Total other financing sources (uses)	-	-	-	-	-	9,761,456
Net change in fund balances	1,694	675	160,509	6,011	11,431	2,475,578
Fund balances – beginning of year	419,565	217,905	382,168	22,494	18	31,158,671
Change in prepaids	-	-	-	-	-	(1,993)
Change in inventory	-	-	-	-	-	(5,978)
Fund balances – end of year	$ 421,259	$ 218,580	$ 542,677	$ 28,505	$ 11,449	$ 33,626,278

(Concluded)

Combining Statement of Fiduciary Net Position
September 30, 2016

	Clerk of Courts	Sheriff	Tax Collector	Totals
Assets:				
Cash and equivalents	$ 5,000,496	$ 130,520	$ 2,330,755	$ 7,461,771
Receivables	5,425	30,309	49,642	85,376
Due from other funds	51	-	-	51
Total assets	5,005,972	160,829	2,380,397	7,547,198
Liabilities:				
Assets held for others	4,856,133	78,846	2,317,542	7,252,521
Due to other funds	149,839	81,983	62,855	294,677
Total liabilities	5,005,972	160,829	2,380,397	7,547,198
Net position	$ -	$ -	$ -	$ -

Schedule of Expenditures of Federal Awards and State Financial Assistance
Year ended September 30, 2016

Federal Agency	Federal CFDA Number	Contract Number	Expenditures	Program Totals
U.S. Department of Justice				
Direct assistance:				
Victims of Crime Act	16.575	V261-15313	$ 39,727	$ 39,727
State Criminal Alien Assistance Program	16.606	2015-AP-BX-0752	8,513	8,513
Edward Byrne Memorial Justice Assistance Grant	16.738	2013-DJ-BX-0827	7,483	
Edward Byrne Memorial Justice Assistance Grant	16.738	2014-DJ-BX-0621	35,605	
Edward Byrne Memorial Justice Assistance Grant	16.738	2015-DJ-BX-0379	43,785	
Edward Byrne Memorial Justice Assistance Grant	16.738	2016-JAGC-CLAY-1-H3-009	55,421	142,294
US Election Assistance Commission				
Passed through Florida Department of State:				
Help America Vote Act Ballot on Demand	90.401	Federal Elections Activities 11-12	7,246	7,246
U.S. Department of Health and Human Services				
Passed through Florida Department of Revenue:				
Child Support Enforcement	93.563	COC10	568,385	
Child Support Enforcement	93.563	CSP10	15,385	
IV-D Reimbursement	93.563	FFY2013	2,667	586,437
U.S. Department of Homeland Security				
Direct Assistance:				
Emergency Management Performance Grant	97.042	16-FG-5A-04-20-01-077	25,340	25,340
Assistance to Firefighters Grant	97.044	EMW-2013-FO-06485	2,520	2,520
Staffing for Adequate Fire and Emergency Response Grant	97.083	EMW-2013-FH-00545	602,627	602,627
Direct Assistance:				
SHSGP - Issue 21	97.067	16-DS-T9-04-20-01-331	18,578	
SHSGP - Issues 6 and 18	97.067	16-DS-T9-04-20-01-390	14,653	
Passed through Florida Department of Emergency Management:				
SHSGP - Issue 16	97.067	15-DS-P4-04-20-01-382	11,305	
SHSGP - Issue 7 & 13	97.067	15-DS-P4-04-20-01-489	9,896	54,432
Total Expenditures of Federal Awards			$ 1,469,136	$ 1,469,136

Schedule of Expenditures of Federal Awards and State Financial Assistance
Year ended September 30, 2016

State Agency	State CSFA Number	Contract Number	Expenditures	Project Totals
Florida Department of Economic Opportunity				
Emergency Management Preparedness Base Grant	31.063	16-BG-83-04-20-01-010	$ 81,074	
Emergency Management Preparedness Base Grant	31.063	17-BG-83-04-20-01-017	23,531	$ 104,605
Florida Housing Finance Corporation				
State Housing Initiatives Partnership Program	40.901		744,098	744,098
Florida Department of Agriculture and Consumer Services				
Mosquito Control	42.003	21330	14,743	
Mosquito Control	42.003	22279	33,652	48,395
VFA Grant	-	-	10,348	10,348
Florida Department of State and Secretary of State				
State Aid to Libraries	45.030	15-ST-07	189	
State Aid to Libraries	45.030	16-ST-07	60,824	61,013
Florida Department of Transportation				
State Highway System Lighting, Maintenance & Comp	55.023	AN691	66,631	
Traffic Signal Maintenance Agreement	55.023	ARV48	146,680	213,311
Florida Department of Health				
County Grant Award	64.005	C3010	5,914	
County Grant Award	64.005	C40	26,279	32,193
Florida Department of Highway Safety and Motor Vehicles				
Florida Arts License Plates	76.041	-	2,475	2,475
Total Expenditures of State Financial Awards			$ 1,216,438	$ 1,216,438

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

1. General

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") presents the activity of all federal award programs and state financial assistance projects of Clay County, Florida (the County) for the year ended September 30, 2016. The County's structure is described in Note 1 to basic financial statements. Federal awards and state financial assistance received directly from federal and state agencies, as well as those passed through other government agencies are included in the accompanying Schedule.

2. Basis of Presentation

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Schedule includes the activities of all federal programs and state financial assistance projects of the County except the component unit referred to in our Independent Auditor's Report as being audited by other auditors, and is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of the basic financial statements. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in Net Position or cash flows of the County.

3. Subrecipients

The County did not make sub-awards of federal awards or state financial assistance during the year ended September 30, 2016

4. Indirect Cost Rate

The County did not elect to use the 10 percent de minimus indirect cost rate.

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable County Commissioners
Clay County, Florida

Report on the Financial Statements

We have audited the financial statements of Clay County, Florida (the "County") as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated March 25, 2017.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit report are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. In that regard, there were no findings from the prior year that needed to be addressed.

Financial Condition

As required by the Rules of the Auditor General, the scope of our audit included a review of the provisions of Section 218.503, Florida Statutes, "Determination of Financial Emergency". In connection with our audit, we determined that the County has not met one or more of the conditions described in Section 218.503(1), Florida Statutes, that are indicative of a financial emergency.

Also, as required by the Rules of the Auditor General, we applied financial condition assessment procedures, as of the end of the fiscal year, pursuant to Rule 10.556(7). It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by management. The application of such procedures did not reveal evidence of "deteriorating financial condition" as that term is defined in Rule 10.554.

Annual Financial Report

As required by the Rules of the Auditor General, we determined that the annual financial report for the County for the fiscal year ended September 30, 2016, filed with the Department of Financial Services pursuant to Section 218.32, Florida Statutes, is in substantial agreement with the audit report for the fiscal year ended September 30, 2016.

Special District Component Unit

As required by the Rules of the Auditor General, we determined that the special district component unit of the County provided the necessary information for proper recording within the audited financial statements of the County in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

As required by the Rules of the Auditor General, we performed separate audits of each of the County's constitutional officers. The comments included in those separately-issued reports should be considered in conjunction with this management letter.

We did not audit the financial statements of the County's discretely presented component unit. That component unit was audited by other auditors, whose report should be considered in conjunction with this management letter.

This management letter is intended solely for the information and use of the County Commission, its management, and oversight agencies and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 25, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON A AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable County Commissioners
Clay County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Clay County, Florida (the "County") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 25, 2017. Our report includes a reference to other auditors who audited the financial statements of the Housing Finance Authority of Clay County, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 County'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 County's internal control and compliance. According, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 25, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES

The Honorable County Commissioners
Clay County, Florida

We have examined Clay County, Florida's (the County) compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds,* during the year ended September 30, 2016. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the 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, included examining, on a test basis, evidence about the 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 the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 25, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable County Commissioners
Clay County, Florida

We have examined Clay County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the 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, included examining, on a test basis, evidence about the 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 the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 25, 2017

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CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

The Honorable County Commissioners
Clay County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Clay County, Florida's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects *Compliance Supplement* that could have direct and material effect on the County's major federal program and state project for the year ended September 30, 2016. The County's major federal program and state project are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program and state project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)*;* and Chapter 10.550, Rules of the Auditor General. Those standards, the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program and state project. However, our audit does not provide a legal determination of the County's compliance.

Opinion on the Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program and major state project for the year ended September 30, 2016.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

St Augustine, Florida
March 25, 2017

Schedule of Findings and Questioned Costs
For the year ended September 30, 2016

PART I – SUMMARY OF AUDITOR'S RESULTS

(i) The independent auditors' report on the financial statements expressed an unmodified opinion.

(ii) The audit did not disclose significant deficiencies or material weaknesses in internal control over financial reporting.

(iii) The audit did not disclose any noncompliance considered material to the financial statements.

(iv) The audit disclosed no significant deficiencies or material weaknesses in internal control over the major federal award programs or major state project.

(v) The report on compliance for the major federal program and state project was unmodified.

(vi) The audit disclosed no findings relative to the major federal program or state project.

(vii) The County's major program/project were:

Federal Programs	CFDA Number
Staffing for Adequate Fire and Emergency Response	97.083
State Projects	**CSFA Number**
State Housing Initiatives Partnership Program	40.901

(viii) A threshold of $750,000 was used to distinguish between Type A and Type B programs for federal programs, and $300,000 was used for state projects.

(ix) The County qualified as a low-risk auditee as that term is defined in the Uniform Guidance.

PART II – FINANCIAL STATEMENT FINDINGS

There were no findings relative to the financial statements.

PART III – FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAM

There were no findings relative to the major federal program.

PART IV – FINDINGS AND QUESTIONED COSTS – STATE PROJECTS

There were no findings relative to the major state project.

Summary Schedule of Prior Audit Findings
For the year ended September 30, 2016

There were no prior audit findings for the year ended September 30, 2015.

Clay County Clerk of the Circuit Court

Audit Report

September 30, 2016

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CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Clay County Clerk of the Circuit Court (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2016, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special purpose financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated, March 24, 2017 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 24, 2017

Clay County Clerk of the Circuit Court

Balance Sheet – Governmental Funds
As of September 30, 2016

	General Fund	Fine & Forfeiture Fund	Records Modernization Fund	Information Technology Fund	Other Governmental Funds	Total Govern-mental Funds
Assets						
Cash & cash equivalents	$ 178,206	$ 680,353	$ 91,447	$ 233,693	$ 105,228	$ 1,288,927
Investments	-	-	77,166	27,808	1,182	106,156
Due from other governments	2,835	155,608	-	15,615	-	174,058
Prepaid expenditures	4,436	3,493	-	-	-	7,929
Total assets	$ 185,477	$ 839,454	$ 168,613	$ 277,116	$ 106,410	$ 1,577,070
Liabilities and fund balances						
Liabilities:						
Accounts payable and accrued liabilities	$ 33,296	$ 104,925	$ 561	$ 1,677	$ 3,657	$ 144,116
Due to other county agencies	147,745	481,305	-	-	57,745	686,795
Due to other governments	-	2,393	-	-	-	2,393
Due to other funds	-	51	-	-	-	51
Total liabilities	181,041	588,674	561	1,677	61,402	833,355
Fund balances:						
Nonspendable	4,436	3,493	-	-	-	7,929
Restricted	-	247,287	168,052	275,439	45,008	735,786
Total fund balances	4,436	250,780	168,052	275,439	45,008	743,715
Total liabilities and fund balances	$ 185,477	$ 839,454	$ 168,613	$ 277,116	$ 106,410	$ 1,577,070

See accompanying Notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2016

	General Fund	Fine & Forfeiture Fund	Records Modernization Fund	Information Technology Fund	Other Governmental Funds	Total Govern-mental Funds
Revenues						
Intergovernmental	$ -	$ 628,107	$ -	$ -	$ -	$ 628,107
Charges for services	1,129,911	2,524,467	108,232	333,007	626	4,096,243
Fines and forfeitures	-	503,964	148,669	-	-	652,633
Miscellaneous revenue	-	75,930	784	15,856	11,445	104,015
Total revenues	1,129,911	3,732,468	257,685	348,863	12,071	5,480,998
Expenditures						
Current:						
General government:						
Personal services	723,005	-	-	-	-	723,005
Operating expenditures	554,470	-	121,848	-	1,302	677,620
Capital outlay	30,503	-	8,556	-	-	39,059
Court related:						
Personal services	70,993	3,469,670	92,254	18,402	91,676	3,742,995
Operating expenditures	2,914	148,677	34,564	227,025	184,854	598,034
Capital outlay	1,230	3,600	5,400	24,511	125,142	159,883
Total expenditures	1,383,115	3,621,947	262,622	269,938	402,974	5,940,596
Excess of revenues over (under) expenditures	(253,204)	110,521	(4,937)	78,925	(390,903)	(459,598)
Other financing source (uses)						
Appropriation from board of county commissioners	400,949	2,667	-	-	454,275	857,891
Reversion to board of county commissioners	(147,745)	-	-	-	(57,745)	(205,490)
Reversion to Clerks of Court Trust Fund	-	(133,869)	-	-	-	(133,869)
Total other financing sources (uses)	253,204	(131,202)	-	-	396,530	518,532
Net change in fund balances	-	(20,681)	(4,937)	78,925	5,627	58,934
Fund balances - beginning of year	3,123	273,454	172,989	196,514	39,381	685,461
Change in prepaid expenditures	1,313	(1,993)	-	-	-	(680)
Fund balances - end of year	$ 4,436	$ 250,780	$ 168,052	$ 275,439	$ 45,008	$ 743,715

See accompanying Notes.

Clay County Clerk of the Circuit Court

Statement of Fiduciary Net Position
As of September 30, 2016

		Agency Funds
Assets		
Cash	$	5,000,496
Receivables		5,425
Due from other funds		51
Total assets		5,005,972
Liabilities		
Assets held for others		4,856,133
Assets held for county agencies		149,839
Total liabilities		5,005,972
Net position	$	-

See accompanying Notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County Clerk of the Circuit Court (the "Office") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office's financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fine and Forfeiture Fund – This fund is used to account for appropriations from the State of Florida and court fees to fund court expenditures.

Records Modernization Fund – This fund is used to account for fees collected and associated expenditures related to equipment upgrades and modernization of all official records of the County.

Information Technology Fund – This fund is used to account for additional service charges collected by the Office and required to be deposited into the Public Record Modernization Trust Fund to fund state-mandated court related technology needs of the Office.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Office reports the following nonmajor governmental funds:

BCC Technology Fund – This fund is used to account for additional service charges collected by the Office and used by the Board of County Commissioners to fund state-mandated court technology improvements and upgrades.

CGD Supplementary Fee – To account for monies to upgrade the child support enforcement program. Financing is provided primarily through fees.

Teen Court – To account for donations received from the general public for the operation and administration of the Teen Court system.

Clay County Archives – To account for donations received from the general public to promote historical documents.

The Office also reports the following fiduciary funds:

Agency Funds – Agency Funds are used to account for resources held by the Office in a custodial capacity.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Cash and Cash Equivalents

All cash and cash equivalents of the Office are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Office invests certain surplus funds in the Florida Local Government Investment Trust's ("FLGIT") short-term bond fund The FLGIT is an external investment pool administered by the Florida Association of Court Clerks and Comptrollers, and is not registered with the SEC. The Trust is an open-ended professionally managed fund available only to public entities in Florida. The fair value of the position in the FLGIT is equal to the value of the pool shares. Such investments are reported at fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – INVESTMENTS

As of September 30, 2016, the Office's investment in FLGIT's short-term bond fund consists of the following:

Fund	Fair Value	Rating
Records modernization trust fund	$ 77,166	AAAf
Information technology fund	27,808	AAAf
CGD supplementary fee fund	1,182	AAAf
	$ 106,156	

The effective duration of FLGIT at September 30, 2016 was 1.43 years. Currently, the Office's policy is to follow Section 215.415, Florida Statues, with regard to the investment of public funds which addresses investment risks. The Office does not have a formal policy for credit or interest rate risk.

NOTE 3 – FAIR VALUE MEASUREMENT

The Office's investment in FLGIT's short-term bond fund is valued based on the fair values of the underlying securities in the pool (Level 2 inputs).

NOTE 4 – FUND BALANCE CLASSIFICATIONS

Balances of reported fund balance at September 30, 2016 are as follows:

	General Fund	Fine & Forfeiture Fund	Records Modern-zation Fund	Information Technology Fund	Other Governmental Funds	Total
Nonspendable-prepaid items	$ 4,436	$ 3,493	$ -	$ -	$ -	$ 7,929
Restricted for:						
Court operations	-	247,287	-	-	26,326	273,613
Court technology	-	-	-	275,439	-	275,439
Records modernization	-	-	168,052	-	-	168,052
Child support program	-	-	-	-	6,210	6,210
Archives	-	-	-	-	12,472	12,472
Total fund balances	$ 4,436	$ 250,780	$ 168,052	$ 275,439	$ 45,008	$ 743,715

NOTE 5 – RISK MANAGEMENT

For health insurance, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB Statement 10.

For risks of loss related to workers' compensation, general liability and errors or omissions, the Office participates with the Board of County Commissioners to purchase commercial insurance. For the past three years, there have been no insurance settlements in excess of insurance coverages.

NOTE 6 – OPERATING LEASE COMMITMENTS

The Office leases premises in Orange Park for office space. The lease is currently set to expire in 2026. The agreement calls for annual lease payments of $46,280 through June 2021 with 3% annual increases effective July 1st of each year thereafter through June 2026. The future minimum lease payments as of September 30, 2016 are as follows:

Fiscal Year Ended September 30,		Amount
2017	$	46,280
2018		46,280
2019		46,280
2020		46,280
2021		46,627
2022-2026		241,161
Total	$	472,908

In addition to the rental payments above, the Office is also responsible for its share of the common area maintenance and real estate taxes estimated to be approximately $8,000 annually. For the year ended September 30, 2016, the Office incurred approximately $46,000 for these premises.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Charges for services	$ 1,005,400	$ 982,182	$ 1,129,911	$ 147,729
Miscellaneous revenue	-	-	-	-
Total revenues	1,005,400	982,182	1,129,911	147,729
Expenditures				
Current:				
General government:				
Personal services	788,031	723,005	723,005	-
Operating expenditures	546,879	554,486	554,470	16
Capital outlay	2,000	30,503	30,503	-
Court related:				
Personal services	3,397	70,993	70,993	-
Operating expenditures	66,042	2,914	2,914	-
Capital outlay	-	1,230	1,230	-
Total expenditures	1,406,349	1,383,131	1,383,115	16
Excess of revenues over (under) expenditures	(400,949)	(400,949)	(253,204)	147,745
Other financing sources (uses)				
Appropriation from board of county commissioners	400,949	400,949	400,949	-
Reversion to board of county commissioners	-	-	(147,745)	(147,745)
Total other financing sources (uses)	400,949	400,949	253,204	(147,745)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	3,123	3,123
Change in prepaid expenditures	-	-	1,313	1,313
Fund balances – end of year	$ -	$ -	$ 4,436	$ 4,436

Notes to Schedule:

The preparation, adoption, and amendments of the budgets is governed by Florida Statutes, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control.

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Fine and Forfeiture Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental	$ 508,905	$ 571,052	$ 628,107	$ 57,055
Charges for services	2,336,500	2,248,699	2,524,467	275,768
Fines and forfeitures	559,891	533,394	503,964	(29,430)
Miscellaneous revenues	-	-	75,930	75,930
Total revenues	3,405,296	3,353,145	3,732,468	379,323
Expenditures				
Court related:				
Personal services	3,524,098	3,469,670	3,469,670	-
Operating expenditures	150,000	148,677	148,677	-
Capital outlay	-	3,600	3,600	-
Total expenditures	3,674,098	3,621,947	3,621,947	-
Excess of revenues over (under) expenditures	(268,802)	(268,802)	110,521	379,323
Other financing sources (uses)				
Appropriation from board of county commissioners	-	-	2,667	2,667
Reversion to clerks of court operations corporation	-	-	(133,869)	(133,869)
Total other financing sources (uses)	-	-	(131,202)	(131,202)
Net change in fund balances	(268,802)	(268,802)	(20,681)	248,121
Fund balances – beginning of year	268,802	268,802	273,454	4,652
Change in prepaid expenditures	-	-	(1,993)	(1,993)
Fund balances – end of year	$ -	$ -	$ 250,780	$ 250,780

Notes to Schedule:

Pursuant to Section 28.36, Florida Statutes, the budget is subject to the General Appropriations Act of the Florida Legislature and is prepared on a basis that does not differ materially from generally accepted accounting principles. The State of Florida releases from this appropriation on a monthly basis. The fund is the legal level of control.

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Records Modernization Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Charges for services	$ 98,893	$ 98,893	$ 108,232	$ 9,339
Fines and forfeitures	132,218	132,218	148,669	16,451
Miscellaneous revenues	-	-	784	784
Total revenues	231,111	231,111	257,685	26,574
Expenditures				
Current:				
General government				
Operating expenditures	217,728	219,766	121,848	97,918
Capital outlay	50,000	42,387	8,556	33,831
Court related				
Personal services	71,168	92,254	92,254	-
Operating expenditures	52,050	31,139	34,564	(3,425)
Capital outlay	-	5,400	5,400	-
Total expenditures	390,946	390,946	262,622	128,324
Excess of revenues over (under) expenditures	(159,835)	(159,835)	(4,937)	154,898
Fund balances – beginning of year	159,835	159,835	172,989	13,154
Fund balances – end of year	$ -	$ -	$ 168,052	$ 168,052

Notes to Schedule:

The preparation, adoption, and amendment of the budgets is governed by Florida Statutes, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control.

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Information Technology Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Charges for services	$ 303,048	$ 303,048	$ 333,007	$ 29,959
Miscellaneous revenues	-	-	15,856	15,856
Total revenues	303,048	303,048	348,863	45,815
Expenditures				
Court related:				
Personal services	56,120	56,120	18,402	37,718
Operating expenditures	373,442	373,442	227,025	146,417
Capital outlay	70,000	70,000	24,511	45,489
Total expenditures	499,562	499,562	269,938	229,624
Net change in fund balances	(196,514)	(196,514)	78,925	275,439
Fund balances – beginning of year	196,514	196,514	196,514	-
Fund balances – end of year	$ -	$ -	$ 275,439	$ 275,439

Notes to Schedule:

The preparation, adoption, and amendment of the budgets is governed by Florida Statutes, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control.

Supplementary Information

NONMAJOR GOVERNMENTAL FUNDS

BCC Technology Fund – This fund is used to account for additional service charges collected by the Office and used by the Board of County Commissioners to fund state-mandated court technology improvement and upgrades.

CGD Supplementary Fee – To account for monies to upgrade the child support enforcement program. Financing is provided primarily through fees.

Teen Court – To account for donations received from the general public for the operation and administration of the Teen Court System.

Clay County Archives – To account for donations received from the general public to promote historical documents.

FIDUCIARY FUNDS – AGENCY FUNDS

General Trust Fund – A central clearing account for all monies received, and the receipt and disbursement of fines and services charges.

Central Government Depository Fund – To account for the collection and disbursement of court-ordered alimony, child support payments and juvenile restitution.

Registry of Court Fund – To account for the collection and disbursement of deposits required by the Circuit and County Court legal actions.

Jury Witness Fund – To account for the receipt and disbursement of the Jury Witness Fund required by the Court.

Combining Balance Sheet
Nonmajor Governmental Funds
As of September 30, 2016

	BCC Technology Fund	CGD Supplementary Fee	Teen Court	Clay County Archives	Total
Assets					
Cash & cash equivalents	$ 61,402	$ 5,028	$ 26,326	$ 12,472	$ 105,228
Investments	-	1,182	-	-	1,182
Total assets	$ 61,402	$ 6,210	$ 26,326	$ 12,472	$ 106,410
Liabilities and fund balances					
Liabilities:					
Accounts payable and accrued liabilities	$ 3,657	$ -	$ -	$ -	$ 3,657
Due to other county agencies	57,745	-	-	-	57,745
Total liabilities	61,402	-	-	-	61,402
Fund balances:					
Restricted	-	6,210	26,326	12,472	45,008
Total liabilities and fund balances	$ 61,402	$ 6,210	$ 26,326	$ 12,472	$ 106,410

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	BCC Technology Fund	CGD Supplementary Fee	Teen Court	Clay County Archives	Total
Revenues					
Charges for services	$ -	$ 626	$ -	$ -	$ 626
Miscellaneous revenue	-	12	8,055	3,378	11,445
Total revenues	-	638	8,055	3,378	12,071
Expenditures					
General government:					
Operating expenditures	-	-	-	1,302	1,302
Court related:					
Personal services	91,676	-	-	-	91,676
Operating expenditures	179,712	-	5,142	-	184,854
Capital outlay	125,142	-	-	-	125,142
Total expenditures	396,530	-	5,142	1,302	402,974
Excess of revenues over (under) expenditures	(396,530)	638	2,913	2,076	(390,903)
Other financing source (uses)					
Appropriation from Board of County Commissioners	454,275	-	-	-	454,275
Reversion to Board of County Commissioners	(57,745)	-	-	-	(57,745)
Total other financing sources (uses)	396,530	-	-	-	396,530
Net change in fund balances	-	638	2,913	2,076	5,627
Fund balances - beginning of year	-	5,572	23,413	10,396	39,381
Fund balances - end of year	$ -	$ 6,210	$ 26,326	$ 12,472	$ 45,008

Combining Statement of Fiduciary Net Position
Agency Funds
As of September 30, 2016

	General Trust Fund	Central Government Depository (CGD) Fund	Registry of Court Fund	Jury Witness Fund	Total
Assets					
Cash	$ 1,917,652	$ 555	$ 3,079,900	$ 2,389	$ 5,000,496
Receivables	4,000	1,425	-	-	5,425
Due from other funds	51	-	-	-	51
Total assets	1,921,703	1,980	3,079,900	2,389	5,005,972
Liabilities					
Assets held for others	1,771,864	1,980	3,079,900	2,389	4,856,133
Assets held for county agencies	149,839	-	-	-	149,839
Total liabilities	1,921,703	1,980	3,079,900	2,389	5,005,972
Net position	$ -	$ -	$ -	$ -	$ -

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have audited the financial statements of the office of the Clay County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 24, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 24, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

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*

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, 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 each major fund and the aggregate remaining fund information of the office of the Clay County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated March 24, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the 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 the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 24, 2017

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have examined the office of the Clay County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office'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 the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 24, 2017

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St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have examined the office of the Clay County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure,* during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office'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 the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 24, 2017

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

The Honorable Tara S. Green
Clerk of the Circuit Court
Clay County, Florida

We have examined the office of the Clay County Clerk of Court's compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees,* during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office'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 the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 24, 2017

Clay County Sheriff

Audit Report

September 30, 2016

Clay County Sheriff

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The Honorable Darryl Daniels
Sheriff
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Clay County Sheriff (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2016, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements

prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special purpose financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2017, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

Balance Sheet – Governmental Funds
As of September 30, 2016

	General Fund	Inmate Welfare Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash	$ 3,504,849	$ 281,211	$ 198,895	$ 3,984,955
Accounts receivable	129,016	43,287	3	172,306
Due from other governments	-	-	4,621	4,621
Due from other funds	8,326	226	-	8,552
Inventory	268,447	-	11,421	279,868
Total assets	$ 3,910,638	$ 324,724	$ 214,940	$ 4,450,302
Liabilities and fund balances				
Liabilities:				
Accounts payable and accrued liabilities	$ 2,098,257	$ 1,449	$ 95	$ 2,099,801
Due to other funds	-	8,326	-	8,326
Due to other county agencies	1,534,057	-	203,424	1,737,481
Due to other governmental units	9,877	-	-	9,877
Total liabilities	3,642,191	9,775	203,519	3,855,485
Fund balances:				
Nonspendable - inventory	268,447	-	11,421	279,868
Restricted:				
Benefit of inmates	-	314,949	-	314,949
Total fund balances	268,447	314,949	11,421	594,817
Total liabilities and fund balances	$ 3,910,638	$ 324,724	$ 214,940	$ 4,450,302

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2016

	General Fund	Inmate Welfare Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Fines and Forfeitures	$ -	$ -	$ 4,187	$ 4,187
Miscellaneous revenue	1,477	336,704	37	338,218
Total revenue	1,477	336,704	4,224	342,405
Expenditures				
Current:				
Public safety:				
Personal services	33,713,918	193,988	145,283	34,053,189
Operating expenditures	6,323,731	96,182	321,174	6,741,087
Capital outlay	1,396,203	3,138	435,360	1,834,701
Court-related:				
Personal services	1,071,784	-	-	1,071,784
Operating expenditures	224,519	-	-	224,519
Total expenditures	42,730,155	293,308	901,817	43,925,280
Excess of revenues over (under) expenditures	(42,728,678)	43,396	(897,593)	(43,582,875)
Other financing sources (uses)				
Appropriations from board of county commissioners	44,201,870	-	1,096,270	45,298,140
Reversion to board of county commissioners	(1,473,192)	-	(198,802)	(1,671,994)
Total other financing sources (uses)	42,728,678	-	897,468	43,626,146
Net change in fund balances	-	43,396	(125)	43,271
Fund balances - beginning of year	339,085	271,553	17,524	628,162
Change in inventory	(70,638)	-	(5,978)	(76,616)
Fund balances - end of year	$ 268,447	$ 314,949	$ 11,421	$ 594,817

See accompanying notes.

Clay County Sheriff

Statement of Fiduciary Net Position
As of September 30, 2016

		Agency Funds
Assets		
Cash	$	130,520
Amounts due from others		30,309
Total assets		160,829
Liabilities		
Assets held for others		78,846
Due to other funds		226
Due to other county agencies		81,757
Total liabilities		160,829
Net position	$	-

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County Sheriff (the "Office") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office's financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental funds:

General Fund – the General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Inmate Welfare fund – this fund is used to account for commissions received, deposits of money, refunds or rebates from inmate commissary, inmate phone services, and miscellaneous revenues at the Clay County jail. All money and property deposited in the Inmate Welfare fund is managed by the Sheriff and Inmate Welfare Committee for the overall benefit of the inmates.

The Office also reports the following fiduciary fund:

Agency Funds – The Agency Funds are used to account for resources held in a custodial capacity.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Cash and Equivalents

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Inventory

Auto parts and supplies inventory is valued at average cost and other inventory is valued at cost (first-in, first-out), which approximates market. Inventory is accounted for using the "purchases" method.

Accounts receivable

Accounts receivable consist primarily of commissions earned from inmate commissary transactions and secondary employment fees. Management considers these fully collectible and no allowance for bad debts has been provided.

NOTE 2 – INVENTORY

Inventories consist of:

Auto parts and supplies	$	34,208
Radio parts		67,455
Armory weapons and ammunition		178,205
Total inventory	$	279,868

NOTE 3 – INTERFUND BALANCES

The following interfund balances arose through the normal course of operations.

	Due from Other Funds	Due to Other Funds
General fund	$ 8,326	$ -
Inmate welfare fund	226	8,326
Agency funds	-	226
Totals	$ 8,552	$ 8,552

NOTE 4 – RISK MANAGEMENT

The County carries commercial insurance for certain general risks which covers the Board of County Commissioners and all Constitutional Officers. There were no significant reductions in this insurance coverage during the current year. Settled Claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

For health insurance and worker's compensation, the County has a self-insurance program which covers the Board of County Commissioners and all the Constitutional Officers and is reported through the use of an internal service, which is recorded in the County-wide financial statements. The Board provides this coverage with no charge to the Constitutional Officers. Please refer to the notes to the County-wide financial statements for further information on the County's self-insurance program.

The Office participates in the Florida Sheriffs' self-insurance fund, a public entity risk pool, for risk related to professional police liability and certain tangible personal property. Aggregate coverage is $5,000,000. In addition, the Office insures its vehicles with a policy through the Florida Sheriff's Insurance Agency. The Office had no settlements that exceeded coverage and has not received additional assessments from the coverage in the previous three fiscal years.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Miscellaneous revenue	$ -	$ -	$ 1,477	$ 1,477
Expenditures				
Current:				
Public safety:				
Personal services	34,375,786	34,375,786	33,713,918	661,868
Operating expenditures	7,114,294	6,830,272	6,323,731	506,541
Capital outlay	1,300,800	1,622,786	1,396,203	226,583
Court related:				
Personal services	1,135,326	1,135,326	1,071,784	63,542
Operating expenditures	237,700	237,700	224,519	13,181
Total expenditures	44,163,906	44,201,870	42,730,155	1,471,715
Excess of revenues under expenditures	(44,163,906)	(44,201,870)	(42,728,678)	1,473,192
Other financing sources (uses)				
Appropriation from board of county commissioners	44,163,906	44,201,870	44,201,870	-
Reversion to board of county commissioners	-	-	(1,473,192)	(1,473,192)
Total other financing sources (uses)	44,163,906	44,201,870	42,728,678	(1,473,192)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	339,085	339,085
Change in inventory	-	-	(70,638)	(70,638)
Fund balances - end of year	$ -	$ -	$ 268,447	$ 268,447

Notes to schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Inmate Welfare Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Miscellaneous revenue	$ 333,000	$ 333,000	$ 336,704	$ 3,704
Expenditures				
Current:				
Public safety:				
Personal services	219,000	219,000	193,988	25,012
Operating expenditures	109,000	109,000	96,182	12,818
Capital outlay	5,000	5,000	3,138	1,862
Total expenditures	333,000	333,000	293,308	39,692
Net change in fund balances	-	-	43,396	43,396
Fund balances - beginning of year	-	-	271,553	271,553
Fund balances - end of year	$ -	$ -	$ 314,949	$ 314,949

Notes to schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

Clay County Sheriff's Office – Fund Descriptions

Non-Major Governmental Funds

Grant Fund – The fund is used to account from the revenues and expenditures associated with federal, state and local grants awarded to the Clay County Sheriff's Office.

2nd Dollar Sheriff Education Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with criminal justice training and education as per Florida Statute 938.15.

Drug Investigative Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with drug investigations and other law enforcement uses.

Federal Forfeiture-Law Enforcement Trust Fund - This fund is used to account for the proceeds of confiscated property that is legally restricted to specific activities.

Crime Prevention Program Fund – This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with the agency's crime prevention programs and initiatives.

$12.50 Motor Vehicle Surcharge Fund - This fund is used to account for the appropriations received from the Board of County Commissioners and the expenditures associated with repair and maintenance of the Clay County 800 MHz Public Safety Radio Communications System.

Clay County Sheriff's Office – Fund Descriptions

Fiduciary Funds – Agency Funds

Agency Funds – The Agency Funds are used to account for funds held in a custodial capacity which include the following**:**

Levy Fund – This fund is used to account for the receipt and subsequent activities of levy funds associated with the civil process.

Depositors Fund – This fund is used to account for the receipt and subsequent activities of monies temporarily held for others.

Seized Assets Fund – This fund is used to account for funds that have been seized by the agency under the provisions of the Florida Contraband Forfeiture Act and are pending award by the Court.

Inmate Fund – This fund is used to account for the receipt and subsequent activity of funds temporarily held for the inmates of the Clay County Jail.

Combining Schedule of Expenditures - General Fund
Year ended September 30, 2016

	Court Costs	Law Enforcement	Corrections/ Detention	Total
Personal services:				
Executive salaries	$ -	$ 139,256	$ -	$ 139,256
Regular salaries and wages	834,742	19,007,006	6,636,384	26,478,132
Other salaries and wages	-	32,375	37,953	70,328
Overtime	1,640	262,738	131,012	395,390
Special pay	9,942	415,470	116,991	542,403
FICA taxes	64,878	1,459,491	504,703	2,029,072
Retirement contributions	151,230	3,509,518	1,300,593	4,961,341
Life and health benefits	9,352	118,997	31,914	160,263
Unemployment compensation	-	5,667	3,850	9,517
Total personal services	1,071,784	24,950,518	8,763,400	34,785,702
Operating expenditures:				
Professional services - inmate medical	-	-	1,075,874	1,075,874
Professional services - other	533	34,234	7,291	42,058
Contractual services - inmate food	-	-	507,805	507,805
Contractual services - licenses and support	13,690	622,633	67,570	703,893
Contractual services - other	176,889	114,976	54,399	346,264
Investigations	-	15,968	-	15,968
Travel and per diem	-	83,284	24,722	108,006
Communication services	5,765	408,618	44,715	459,098
Freight and postage	1,271	28,411	2,760	32,442
Utility services	-	1,494	-	1,494
Rentals and leases	-	72,336	5,746	78,082
Insurance	12,776	633,645	165,556	811,977
Repair and maintenance services	927	334,226	18,747	353,900
Printing and binding	-	5,804	-	5,804
Promotional activities - advertising	-	12,031	-	12,031
Other current charges and obligations	1	14,073	1,148	15,222
Office supplies and materials	62	153,963	20,870	174,895
Operating supplies and materials	11,988	1,184,501	383,494	1,579,983
Dues, memberships, subscriptions and books	468	22,135	4,257	26,860
Training and education	149	131,194	65,251	196,594
Total operating expenditures	224,519	3,873,526	2,450,205	6,548,250
Capital outlay:				
Data processing equipment	-	175,664	-	175,664
Machinery and equipment	-	212,250	11,750	224,000
Office furniture		10,280		10,280
Vehicles	-	908,531	77,728	986,259
Total capital outlay	-	1,306,725	89,478	1,396,203
Total expenditures	$ 1,296,303	$ 30,130,769	$ 11,303,083	$ 42,730,155

Combining Balance Sheet
Nonmajor Governmental Funds
As of September 30, 2015

	Grant Fund	2nd Dollar Sheriff Education Fund	Drug Investigative Fund	Federal Forfeiture -Law Enforcement Trust Fund	Crime Prevention Program Fund	$12.50 Motor Vehicle Surcharge Fund	Total
Assets							
Cash and equivalents	$ 29,071	$ 22,540	$ 47,638	$ 30,492	$ 932	$ 68,222	$ 198,895
Accounts receivable	-	-	2	-	-	1	3
Due from other governments	4,621	-	-	-	-	-	4,621
Inventory	-	-	-	-	-	11,421	11,421
Total assets	$ 33,692	$ 22,540	$ 47,640	$ 30,492	$ 932	$ 79,644	$ 214,940
Liabilities and fund balances							
Liabilities							
Accounts payable and accrued liabilities	$ -	$ 95	$ -	$ -	$ -	$ -	$ 95
Due to other county agencies	33,692	22,445	47,640	30,492	932	68,223	203,424
Total liabilities	33,692	22,540	47,640	30,492	932	68,223	203,519
Fund balances							
Nonspendable - inventory	-	-	-	-	-	11,421	11,421
Total liabilities and fund balances	$ 33,692	$ 22,540	$ 47,640	$ 30,492	$ 932	$ 79,644	$ 214,940

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2016

	Grant Fund	2nd Dollar Sheriff Education Fund	Drug Investigative Fund	Federal Forfeiture -Law Enforcement Trust Fund	Crime Prevention Program Fund	$12.50 Motor Vehicle Surcharge Fund	Total
Revenues							
Fines and Forfeitures	$ -	$ -	$ -	$ 4,187	$ -	$ -	$ 4,187
Miscellaneous revenue	-	-	8	12	4	13	37
Total revenue	-	-	8	4,199	4	13	4,224
Expenditures							
Public safety:							
Personal services	70,283	-	-	-	75,000	-	145,283
Operating expenditures	111,588	27,555	17,368	43,801	34,072	86,790	321,174
Capital outlay	8,899	-	-	426,461	-	-	435,360
Total expenditures	190,770	27,555	17,368	470,262	109,072	86,790	901,817
Excess of revenues under expenditures	(190,770)	(27,555)	(17,360)	(466,063)	(109,068)	(86,777)	(897,593)
Other financing sources (uses)							
Appropriation from board of county commissioners	219,840	50,000	65,000	496,430	110,000	155,000	1,096,270
Reversion to board of county commissioners	(29,070)	(22,445)	(47,640)	(30,492)	(932)	(68,223)	(198,802)
Total other financing sources (uses)	190,770	27,555	17,360	465,938	109,068	86,777	897,468
Net change in fund balances	-	-	-	(125)	-	-	(125)
Fund balances - beginning of year	-	-	-	125	-	17,399	17,524
Change in inventory	-	-	-	-	-	(5,978)	(5,978)
Fund balances - end of year	$ -	$ -	$ -	$ -	$ -	$ 11,421	$ 11,421

Combining Statement of Fiduciary Net Position
Agency Funds
As of September 30, 2016

	Levy Fund	Depositors Fund	Seized Assets Fund	Inmate Fund	Total Agency Funds
Assets					
Cash	$ 3,860	$ 49,395	$ 44,269	$ 32,996	$ 130,520
Amounts due from others	-	23,094	-	7,215	30,309
Total assets	3,860	72,489	44,269	40,211	160,829
Liabilities					
Assets held for others	3,860	6,439	36,085	32,462	78,846
Due to other funds	-	-	-	226	226
Due to other county agencies	-	66,050	8,184	7,523	81,757
Total liabilities	3,860	72,489	44,269	40,211	160,829
Net position	$ -	$ -	$ -	$ -	$ -

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Darryl Daniels
Sheriff
Clay County, Florida

We have audited the financial statements of the office of the Clay County Sheriff (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 13, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

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*

The Honorable Darryl Daniels
Sheriff
Clay County, 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 each major fund and the aggregate remaining fund information of the office of the Clay County Sheriff (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated March 13, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the 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 the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Darryl Daniels
Sheriff
Clay County, Florida

We have examined the office of the Clay County Sheriff's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office'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 the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

Clay County Tax Collector

Audit Report

September 30, 2016

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September 30, 2016

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CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Jimmy Weeks
Tax Collector
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the office of the Clay County Tax Collector (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Office as of September 30, 2016, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special purpose financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2017, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

Balance Sheet – Governmental Funds
As of September 30, 2016

	General Fund
Assets	
Equity in pooled cash and equivalents	$ 1,358,627
Liabilities and fund balance	
Liabilities	
Due to other county agencies	$ 1,345,679
Due to other governments	12,948
Total liabilities	1,358,627
Fund balance	-
Total liabilities and fund balance	$ 1,358,627

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2016

	General Fund
Revenues	
Charges for services	$ 5,276,629
Miscellaneous revenue	49,215
Total revenues	5,325,844
Expenditures	
General government services:	
Personal services	2,955,010
Operating expenditures	930,795
Capital outlay	95,517
Total expenditures	3,981,322
Excess of revenues over expenditures	1,344,522
Other financing uses	
Reversion to board of county commissioners	(1,344,522)
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	$ -

See accompanying notes.

Statement of Fiduciary Net Position
As of September 30, 2016

	Agency Funds
Assets	
Equity in pooled cash and equivalents	$ 2,330,755
Accounts receivable	49,642
Total assets	2,380,397
Liabilities	
Assets held for others	2,317,542
Due to other county agencies	62,855
Total liabilities	2,380,397
Net position	$ -

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County Tax Collector (the "Office") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office's financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented the reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

The Office also reports the following fiduciary funds:

Agency Funds – Agency Funds are used to account for assets held in a custodial capacity.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by: (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Clay County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Equity in Pooled Cash and Equivalents

The Office maintains a cash and equivalents pool that is available for use by all funds. Each fund's portion of this pool is displayed on the balance sheet as "Equity in Pooled Cash and Equivalents." If a fund overdraws its account in the pool, a liability and corresponding receivable (i.e., due to/from other funds) are reported on the balance sheet. All pooled cash is placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – OPERATING LEASE COMMITMENTS

The Office leases premises in Orange Park and Keystone Heights where its branches are located. Future minimum rental payments are as follows:

Year ended September 30,		
2017	$	86,523
2018		86,911
2019		81,878
2020		47,344
Total	$	302,656

In addition to the rental payments above, the Office is also responsible for its share of the common area maintenance and real estate taxes. For the year ended September 30, 2016, the Office incurred approximately $17,820 for these premises.

NOTE 3 – RISK MANAGEMENT

For health insurance and worker's compensation, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

NOTE 4 – LITIGATION AND CONTINGENT LIABILITIES

The Tax Collector is involved in various litigation arising from the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters will be resolved without a material adverse effect on the Tax Collector's financial position.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Charges for services	$ 4,049,691	$ 4,146,951	$ 5,276,629	$ 1,129,678
Miscellaneous revenue	-	-	49,215	49,215
Total revenues	4,049,691	4,146,951	5,325,844	1,178,893
Expenditures				
Current:				
General government services:				
Personal services	3,017,848	3,031,475	2,955,010	76,465
Operating expenditures	965,752	1,017,752	930,795	86,957
Capital outlay	66,091	97,724	95,517	2,207
Total expenditures	4,049,691	4,146,951	3,981,322	165,629
Excess of revenues over expenditures	-	-	1,344,522	1,344,522
Other financing uses				
Reversion to board of county commissioners	-	-	(1,344,522)	(1,344,522)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ -	$ -

Notes to schedule:

The budget is prepared on a basis that does not differ materially from U.S. generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

FIDUCIARY FUNDS

General Property Taxes – To account for the collection and disbursement of real and tangible property taxes.

Vehicle Tags – To account for the collection and disbursement of collections such as vehicle tag, title, sales tax and marine title fees on behalf of various State agencies.

Sport Licenses – To account for the collection and disbursement of collections for hunting and fishing licenses on behalf of various State agencies.

Combining Statement of Fiduciary Net Position
Agency Funds
As of September 30, 2016

	General Property Taxes	Vehicle Tags	Sports Licenses	Total
Assets				
Equity in pooled cash and equivalents	$ 2,273,211	$ 55,259	$ 2,285	$ 2,330,755
Accounts receivable	43,900	5,742	-	49,642
Total assets	2,317,111	61,001	2,285	2,380,397
Liabilities				
Assets held for others	2,269,393	45,864	2,285	2,317,542
Due to other county agencies	47,718	15,137	-	62,855
Total liabilities	2,317,111	61,001	2,285	2,380,397
Net position	$ -	$ -	$ -	$ -

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Jimmy Weeks
Tax Collector
Clay County, Florida

We have audited the financial statements of the office of the Clay County Tax Collector (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 13, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

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*

The Honorable Jimmy Weeks
Tax Collector
Clay County, 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 major fund and the aggregate remaining fund information of the office of the Clay County Tax Collector (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated March 13, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the 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 the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Jimmy Weeks
Tax Collector
Clay County, Florida

We have examined the office of the Clay County Tax Collector's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office'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 the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

Clay County Property Appraiser

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CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Roger A. Suggs
Property Appraiser
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the office of the Clay County Property Appraiser (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Office as of September 30, 2016, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 our report dated March 13, 2017, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

Clay County Property Appraiser

Balance Sheet – Governmental Funds
As of September 30, 2016

		General Fund
Assets		
Cash and equivalents	$	118,471
Total assets	$	118,471
Liabilities and fund balance		
Liabilities:		
Accounts payable and accrued liabilities	$	51,762
Due to other governments		1,144
Due to other county agencies		65,565
Total liabilities		118,471
Fund balance		-
Total liabilities and fund balance	$	118,471

See accompanying Notes.

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2016

	General Fund
Revenues	
Charges for services	$ 48,802
Miscellaneous revenues	5,064
Total revenues	53,866
Expenditures	
Current:	
General government:	
Personal services	2,049,473
Operating expenditures	531,245
Capital outlay	4,324
Total expenditures	2,585,042
Excess of revenues under expenditures	(2,531,176)
Other financing sources (uses)	
Appropriation from board of county commissioners	2,590,550
Reversion to board of county commissioners	(59,374)
Total other financing sources (uses)	2,531,176
Net change in fund balance	-
Fund balance - beginning of year	-
Fund balance - end of year	$ -

See accompanying Notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County Property Appraiser (the "Office") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office's financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office does not report any nonmajor funds.

The Office reports the following major governmental fund:

> General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Clay County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Cash and Equivalents

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – CONTINGENCIES AND COMMITMENTS

The Office is, during the course of normal operations, involved in various claims regarding the assessments of real and tangible personal property. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.

NOTE 3 – RISK MANAGEMENT

For health insurance, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB Statement 10.

For risks of loss related to workers' compensation, general liability and errors or omissions, the Office participates with the Board of County Commissioners to purchase commercial insurance. For the past three years, there have been no insurance settlements in excess of insurance coverages.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Charges for services	$ 49,891	$ 49,905	$ 48,802	$ (1,103)
Miscellaneous	-	-	5,064	5,064
Total revenues	49,891	49,905	53,866	3,961
Expenditures				
Current:				
General government:				
Personal services	2,008,783	2,073,520	2,049,473	24,047
Operating expenditures	630,927	562,535	531,245	31,290
Capital outlay	-	4,400	4,324	76
Total expenditures	2,639,710	2,640,455	2,585,042	55,413
Excess of revenues under expenditures	(2,589,819)	(2,590,550)	(2,531,176)	59,374
Other financing sources (uses)				
Appropriation from board of county commissioners	2,589,819	2,590,550	2,590,550	-
Reversion to board of county commissioners	-	-	(59,374)	(59,374)
Total other financing sources (uses)	2,589,819	2,590,550	2,531,176	(59,374)
Net change in fund balances	-	-	-	-
Fund balances – beginning of year	-	-	-	-
Fund balances – end of year	$ -	$ -	$ -	$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. It's preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Roger A. Suggs
Property Appraiser
Clay County, Florida

We have audited the financial statements of the office of the Clay County Property Appraiser (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 13, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

This management letter is intended solely for the information and use of the Office and its management, and the State of Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

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*

The Honorable Roger A. Suggs
Property Appraiser
Clay County, 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 office of the Clay County Property Appraiser (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated March 13, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To The Honorable Roger A. Suggs
Property Appraiser
Clay County, Florida

We have examined the office of the Clay County Property Appraiser's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office'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 the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

Clay County Supervisor of Elections

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September 30, 2016

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CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Chris H. Chambless
Supervisor of Elections
Clay County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the office of the Clay County Supervisor of Elections (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Office as of September 30, 2016, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 our report dated March 13, 2017, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

Clay County Supervisor of Elections

Balance Sheet – Governmental Funds
September 30, 2016

		General Fund
Assets		
Cash	$	309,356
Total assets	$	309,356
Liabilities and fund balance		
Liabilities:		
Accounts payable and accrued liabilities	$	36,232
Due to other county agencies		88,471
Total liabilities		124,703
Fund balance:		
Restricted - state elections grants		184,653
Total liabilities and fund balance	$	309,356

See accompanying notes.

Clay County Supervisor of Elections

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2016

	General Fund
Revenues	
Intergovernmental	$ 44,837
Miscellaneous revenues	6,176
Total revenues	51,013
Expenditures	
Current:	
General government:	
Personal services	1,007,536
Operating expenditures	547,321
Capital outlay	8,048
Total expenditures	1,562,905
Excess of revenues under expenditures	(1,511,892)
Other financing sources (uses)	
Appropriation from board of county commissioners	1,619,367
Reversion to board of county commissioners	(88,471)
Total other financing sources (uses)	1,530,896
Net change in fund balance	19,004
Fund balance - beginning of year	165,649
Fund balance - end of year	$ 184,653

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Clay County Supervisor of Elections (the "Office") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Clay County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office's financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental fund:

General Fund - the General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. 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 Office considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Clay County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Cash

All cash is placed in banks that qualify as public depositories pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – RISK MANAGEMENT

The County carries commercial insurance for certain risks, including general and auto liability, which covers the Board of County Commissioners and all Constitutional Officers. There were no significant reductions in this insurance coverage during the current year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

For health insurance and worker's compensation, the County has a self-insurance program which covers the Board of County Commissioners and all the Constitutional Officers and is reported through the use of an internal service fund, which is recorded in the County-wide financial statements. The Board provides this coverage with no charge to the Constitutional Officers. Please refer to the notes to the County-wide financial statements for further information on the County's self-insurance program.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental	$ 54,327	$ 54,327	$ 44,837	$ (9,490)
Miscellaneous	3,574	3,574	6,176	2,602
Total revenues	57,901	57,901	51,013	(6,888)
Expenditures				
Current:				
General government:				
Personal services	1,057,853	1,057,852	1,007,536	50,316
Operating expenditures	776,064	776,965	547,321	229,644
Capital outlay	7,000	8,100	8,048	52
Total expenditures	1,840,917	1,842,917	1,562,905	280,012
Excess of revenues over (under) expenditures	(1,783,016)	(1,785,016)	(1,511,892)	273,124
Other financing source (uses)				
Appropriation from board of county commissioners	1,617,367	1,619,367	1,619,367	-
Reversion to board of county commissioners	-	-	(88,471)	(88,471)
Total other financing sources (uses)	1,617,367	1,619,367	1,530,896	(88,471)
Net change in fund balances	(165,649)	(165,649)	19,004	184,653
Fund balances - beginning of year	165,649	165,649	165,649	-
Fund balances - end of year	$ -	$ -	$ 184,653	$ 184,653

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Chris H. Chambless
Supervisor of Elections
Clay County, Florida

We have audited the financial statements of the office of the Clay County Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 13, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
(904) 471-3825 (fax)
www.cricpa.com

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*

The Honorable Chris H. Chambless
Supervisor of Elections
Clay County, 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 office of the Clay County Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated March 13, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
1301 Plantation Island Drive
Suite 205A
St. Augustine, Florida 32080

(904) 471-3445
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www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Chris H. Chambless
Supervisor of Elections
Clay County, Florida

We have examined the office of the Clay County Supervisor of Elections' (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office'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 the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 13, 2017