

**COLUMBIA COUNTY,  
FLORIDA**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2016**

**COLUMBIA COUNTY, FLORIDA**

**ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended September 30, 2016

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
<b>INTRODUCTORY SECTION</b>	
List of Principal Officials	5
<b>FINANCIAL SECTION</b>	
<b>BASIC FINANCIAL STATEMENTS</b>	
Independent Auditor's Report	8
Management's Discussion and Analysis	11
Statement of Net Position	20
Statement of Activities	22
Governmental Funds - Balance Sheet	23
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Net Position - Proprietary Fund	26
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	28
Statement of Cash Flows - Proprietary Fund	29
Statement of Fiduciary Net Position - Agency Funds	31
Notes to Financial Statements	32
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	68
County Transportation Trust Fund	69
Municipal Services Benefit Unit Fund	70
Clerk of the Circuit Court Operating Fund	71
Sheriff Operating Fund	72
Economic Development Debt Service Fund	73
Connector Road Project Fund	74
Road Improvement Fund	75
Schedule of the County's Proportionate Share of the Net Pension Liability Florida State Retirement System	76
Schedule of the County's Contributions Florida State Retirement System	77
Notes to the Required Supplementary Information	78

**COLUMBIA COUNTY, FLORIDA**

**ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended September 30, 2016

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
<b>FUND COMBINING STATEMENTS</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet	82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	84
Combining Statement of Fiduciary Net Position	86
<b>SINGLE AUDIT AND COMPLIANCE SECTION</b>	
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 <i>Government Auditing Standards</i>	88
Independent Auditors Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major State Project and on Internal Control over Compliance in Accordance with Chapter 10.550, Rules of the Auditor General, Office of the Auditor General	90
Schedule of Expenditures of State Financial Assistance	93
Notes to Schedule of Expenditures of State Financial Assistance	95
Schedule of Findings	96
Management Letter	97
Independent Accountant's Report	100

## **INTRODUCTORY SECTION**

**COLUMBIA COUNTY, FLORIDA**

**LIST OF PRINCIPAL OFFICIALS**

**September 30, 2016**

<b>Title</b>	<b>Name</b>
<b>Board of County Commissioners</b>	
District I	Ronald Williams
District II	Rusty DePratter
District III	Bucky Nash
District IV	Everett Phillips
District V	Scarlet P. Frisina
<b>County Attorney</b>	Joel Foreman
<b>Clerk of Circuit Court</b>	P. DeWitt Cason
<b>Property Appraiser</b>	J. Doyle Crews
<b>Sheriff</b>	Mark Hunter
<b>Supervisor of Elections</b>	Elizabeth P. Horne

## **FINANCIAL SECTION**

## **BASIC FINANCIAL STATEMENTS**



**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1359 S.W. Main Blvd.  
Lake City, Florida 32025  
386 / 755-4200

Fax: 386 / 719-5504

admin@powellandjonescpa.com

## **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS**

**To the Board of County Commissioners  
and Constitutional Officers  
Columbia County, Florida**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Columbia County, Florida, as of and for the fiscal year ended September 30, 2016, and the related notes to the financial statements which collectively comprise Columbia County, Florida'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.

### **Auditors' 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 under 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 governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Columbia County, Florida as of September 30, 2016, and the respective changes in financial position and cash flows, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

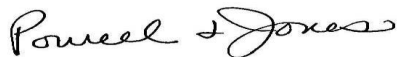
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 18, budgetary comparison information on pages 68 through 75 and pension schedules on pages 76 through 77, be presented to supplement the basic financial statements. 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 Columbia County, Florida's financial statements as a whole. The accompanying Schedule of Expenditures of State Financial Assistance is presented for purposes of additional analysis as required by *Chapter 10.550 Rules of the State of Florida, Office of the Auditor General*; and is not a required part of the financial statements. The Schedule of Expenditures of State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining nonmajor fund financial statements, listed in the table of contents, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. This 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this 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 16, 2017 on our consideration of Columbia County, Florida'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 Columbia County, Florida's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 16, 2017

**COLUMBIA COUNTY, FLORIDA**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended September 30, 2016**

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2016. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

The County has implemented Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. This statement requires governmental entities to report finances in accordance with specific guidelines. Among those guidelines are the components of this section dealing with management's discussion and analysis.

Its intent is to provide a brief, objective, and easily readable analysis of the County's financial performance for the year and its financial position at fiscal year end September 30, 2016.

## **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 consist of: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The **Government-wide financial statements** present an overall picture of the County's financial position and results of operations. The **Fund financial statements** present financial information for the County's major funds. The **Notes to the financial statements** provide additional information concerning the County's finances that are not disclosed in the government-wide or fund financial statements.

### **Government-wide financial statements**

The government-wide financial statements consist of the **statement of net position** and the **statement of activities**, and are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. Emphasis is placed on the net position of governmental activities and business-type activities and the change in net position. Governmental activities are primarily supported by property and non ad valorem taxes, sales and use taxes, federal and state grants, and state shared revenues. Business-type activities are supported by charges to the users of those activities.

The statement of net position presents information on all assets and liabilities of the County, 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. Net position is reported in three categories: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental Activities separate from those of business-type activities.

The **statement of activities** presents information on all revenues and expenses of the County and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the

County. To assist in understanding the County's operations, expenses have been reported as governmental activities or business-type activities. Governmental activities financed by the County include public safety, physical environment, transportation, economic environment, human services, culture and recreation, and general government services. Business-type activities financed by user charges include the landfill and sewer operations.

### **Fund financial statements**

A fund is a separate accounting entity with a self-balancing set of accounts, and is used to maintain control over resources that have been segregated for specific activities or objectives in accordance with special regulations, restrictions, or limitations. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

*Governmental fund financial statements* provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

*Proprietary fund financial statements* provide information on all assets and liabilities of the fund, changes in the economic resources (revenues and expenses), and total economic resources.

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures, and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances - budget and actual**, is provided for the County's general fund and major special revenue, capital projects, and debt service funds as required supplementary information. For the proprietary funds, which includes business-type activities, a **statement of net position**; a **statement of revenues, expenses, and changes in net position**; and a **statement of cash flows** are presented. A combining statement of fiduciary net position is presented for the County's agency funds.

*Fund financial statements* provide more detailed information about the County's activities. Individual funds are established by the County to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the County. The government-wide financial statements provide an overall picture of the County's financial standing, split between governmental activities and business-type activities. These statements are comparable to private-sector companies and give a good understanding of the County's overall financial health and how the County paid for the various activities, or functions, provided by the County. All assets of the County, including buildings, land, roads, and bridges are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds, landfill closure liabilities, and future employee benefits obligated but not paid by the County, are included. The **statement of activities** includes depreciation on all long lived assets of the County, but transactions between the different functions of the County have been eliminated in order to avoid "doubling up" the revenues and expenses.

The *fund financial statements* provide a picture of the major funds of the County and a column for all non-major funds. In the case of governmental activities, outlays for long lived assets are reported as expenditures, and long-term liabilities are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the fund financial statements to the *government wide financial statements*.

## **Notes to the financial statements**

The **Notes to the financial statements** provide additional detail concerning the financial activities and financial balances of the County. Additional information about the accounting practices of the County, investments of the County, long-term debt, and pension plan are some of the items included in the notes to the financial statements.

## **FINANCIAL HIGHLIGHTS**

Total assets of the County exceeded total liabilities by \$144,279,872 (net position). Unrestricted net position for governmental activities was \$8,390,464 and for business-type activities was \$31,741. Governmental Activities restricted net position is \$16,944,306, and was \$-0- for Business-type Activities.

Total net position decreased by \$(1,262,410). Of that amount, \$(523,342) is attributable to Governmental Activities; which is primarily the result of the County's recognition and recording of its proportionate share of the Florida State Retirement System net pension liability. Business-type Activities net position decreased by \$(739,068).

Governmental Funds revenues increased by \$3,979,789 to \$66,411,446. This increase in revenue was due primarily to an increase in grant revenue and sales and use taxes. Governmental Fund expenses increased by \$7,536,915 to \$68,233,788. This increase in expenditures was primarily due to an increase in transportation related expenditures and a loss on disposition of fixed assets.

Business-type activities revenues increased to \$3,492,232, and business-type expenses increased to \$2,932,300.

## **FINANCIAL ANALYSIS OF THE COUNTY**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2016, the assets of the County exceed liabilities by \$144,279,872.

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

### Net Position

			Total Government	
	Governmental	Business-type	2016	2015
<b>Assets</b>				
Current assets	\$ 50,110,236	\$ 2,846,813	\$ 52,957,049	\$ 43,551,260
Restricted assets	-	7,385,728	7,385,728	8,364,520
Other Noncurrent assets	119,805,879	12,054,175	131,860,054	138,621,257
Total assets	169,916,115	22,286,716	192,202,831	190,537,037
<b>Deferred Outflows of Resources</b>				
County's proportionate share of FRS pension related	19,922,594	262,534	20,185,128	5,556,756
<b>Liabilities</b>				
Current liabilities (payable from current assets)	6,071,953	208,428	6,280,381	6,709,710
Current liabilities (payable from restricted assets)	-	204,520	204,520	203,206
Noncurrent liabilities	44,020,119	11,133,000	55,153,119	39,149,702
Total liabilities	50,092,072	11,545,948	61,638,020	46,062,618
<b>Deferred Inflows of Resources</b>				
County's proportionate share of FRS pension related	6,367,838	102,229	6,470,067	4,368,857
<b>Net Position</b>				
Net position invested in capital assets, net of related debt	108,075,770	10,869,332	118,945,102	127,488,961
Net position - restricted	16,944,306	-	16,944,306	17,573,004
Net position - unrestricted	8,358,723	31,741	8,390,464	600,353
Total net position	\$133,378,799	\$ 10,901,073	\$144,279,872	\$145,662,318

82.4% of the County's net position reflects its investment in capital assets (land, buildings, infrastructure, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to 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 11.7% of the County's net position represents resources that are dedicated or subject

to restrictions on how they may be used. The remaining balance of unrestricted net position, 5.8%, may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. Governmental activities expenses exceeded revenues and transfers in by \$(523,342). The decrease in Governmental Activities net position is due primarily to the increase in the County's proportionate share of the Florida State Retirement System net pension liability in the financial statements for the fiscal year ended September 30, 2016. The decrease in Business-type Activities net position is due to a transfer to the County's Facilities Fund.

<b>Changes in Net Position</b>				
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total Government</b>	
			<b>2016</b>	<b>2015</b>
<b>Revenues:</b>				
Program revenues				
Charges for services	\$16,185,608	\$ 3,209,516	\$19,395,124	\$18,889,218
Operating grants/ contributions	1,855,538	92,909	1,948,447	1,668,004
Capital grants/contributions	4,728,889	-	4,728,889	3,768,012
General revenues				
Property taxes	18,527,377	-	18,527,377	17,804,345
Sales and use taxes	12,508,377	-	12,508,377	11,260,566
Federal and State shared revenues	11,227,555	-	11,227,555	10,679,599
Interest	171,676	105,579	277,255	258,895
Other	1,206,426	84,228	1,290,654	1,464,545
<b>Total revenues</b>	<b>66,411,446</b>	<b>3,492,232</b>	<b>69,903,678</b>	<b>65,793,184</b>
<b>Expenses:</b>				
General government	10,444,601	-	10,444,601	9,967,840
Public safety	24,518,997	-	24,518,997	22,782,893
Physical environment	4,838,906	2,932,300	7,771,206	7,093,316
Transportation	16,939,019	-	16,939,019	13,701,770
Economic environment	1,629,647	-	1,629,647	2,025,865
Human services	2,669,365	-	2,669,365	2,557,253
Culture/recreation	2,544,271	-	2,544,271	2,766,399
Court related	2,202,346	-	2,202,346	2,255,598
Interest on long-term debt	211,329	-	211,329	263,608
Loss on disposition of fixed assets	2,235,307	-	2,235,307	-
<b>Total expenses</b>	<b>68,233,788</b>	<b>2,932,300</b>	<b>71,166,088</b>	<b>63,414,542</b>
Transfers in (out)	1,299,000	(1,299,000)	-	-
<b>Increase (decrease) in net position</b>	<b>\$ (523,342)</b>	<b>\$ (739,068)</b>	<b>\$ (1,262,410)</b>	<b>\$ 2,378,642</b>

Property taxes provide 27.90% of the revenues for Governmental Activities, while sales taxes provide 18.83%. Most of the Governmental Activities resources are spent for Public Safety (35.93%), General Government (15.31%), Transportation (24.82%), and Physical Environment (7.09%).

## **FUND FINANCIAL INFORMATION**

### **Governmental Funds**

#### **General Fund**

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County Ordinances or other externally imposed requirements. As of September 30, 2016, total assets were \$15,723,306 and total liabilities were \$495,137. The ending fund balance was \$15,228,169; \$1,043,508 of which is restricted and an additional amount of \$1,718,091 was committed or assigned for specified projects.

During the year ended September 30, 2016, total revenues, \$32,519,366, exceeded total expenditures, \$13,282,824, by \$19,125,542. \$18,310,522 was transferred to other funds for operational and capital related purposes and \$788,581 was transferred in. The net increase in the fund balance in the General Fund was therefore, \$1,714,601.

During the fiscal year, the County amended the General Fund budget by \$4,529,587, primarily due to recreation and public safety projects.

#### **Other Governmental Funds**

The *County Transportation Trust Fund* accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. During the year, expenditures and transfers out exceeded revenues and a gain on disposition of equipment by \$(1,387,986), resulting in an ending fund balance of \$4,514,800.

The *Municipal Services Fund* accounts for expenditures incurred for the solid waste collection and fire control services in the unincorporated area, and other services which primarily benefit residents of the unincorporated area of the County. Financing is provided by non-ad valorem assessments and other revenues derived from the unincorporated area. For the fiscal year ended September 30, 2016, expenditures and transfers exceeded revenues and loan proceeds by \$(1,446,972). This was primarily due to a transfer of \$2,000,000 to the County Facilities Fund.

The *Sheriff General Fund* is the general operating fund of the Sheriff, a Constitutional Officer. The primary source of funds are transfers from the Board of County Commission General Fund. Expenditures for the year were \$13,038,811, and by law this fund has no ending fund balance.

The *Clerk of Courts General Fund* is the general operating fund of the Clerk of the Circuit Court, a Constitutional Officer. The primary source of funds are various court related fees and service charges and transfers from the Board of County Commission General Fund. Expenditures for the year were \$2,081,590, and this fund also has no ending fund balance.

The *Economic Development Fund* accounts for expenditures associated with debt service and other outlays for economic development projects authorized by the Board of County Commissioners. During the year, expenditures and transfers out exceeded revenues by \$(1,061,733), leaving an ending fund balance of \$512,354.



The *County Facilities Fund* accounts for the ongoing County facilities projects throughout the county. During the year, revenues and transfers in exceeded expenditures by \$6,063,956, leaving an ending fund balance of \$6,070,659.

The *Road Improvement Fund* accounts for the ongoing resurfacing and improvements to various roads within the County. Financing is provided by State construction grants and various transfers from other Board funds. During the year, revenues and transfers in exceeded expenditures \$2,827,539 leaving an ending fund balance of \$9,208,420.

#### **General Fund Budget**

Actual revenues for the General Fund exceeded budgeted revenue by \$1,080,832. Budgeted expenditures and transfers out were greater than actual by \$3,231,906. This was primarily due to capital projects which were not completed in the 2016 fiscal year.

#### **Proprietary Funds**

The *Landfill Enterprise Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste disposal facility. This fund is substantially financed by tippage fees charged to users of the services. Total assets as of September 30, 2016, were \$18,785,166, total liabilities were \$10,341,844, net deferred outflows/inflows related to the Florida State Retirement System pension liability were \$160,305 and net position was \$8,603,627. Total income, including interest and grants, was \$3,416,230 and total expenses and transfers were \$4,433,566, leaving a change in net position of \$(1,017,336). This brought net position to \$8,603,627.

The *Utilities Fund* accounts for the financial activities associated with the County operated water and sewer services. Total assets at September 30, 2016 were \$4,955,419, total liabilities were \$2,657,973, and net position was \$2,297,446. Total income and transfers in were \$591,002. Total expenses, including interest expense, were \$312,734, leaving a net change in net position of \$278,268.

#### **CAPITAL ASSETS ACTIVITY**

The County's capital assets for its governmental and business-type activities as of September 30, 2016, is \$131,802,706 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. General fixed assets are recorded at cost. For assets purchased before 2003, assets were recorded at cost or fair market value.

The most significant change in capital assets during the fiscal year was the ongoing construction of various road and other capital projects.

The following schedule provides a summary of the County's capital assets balances for the year ended September 30, 2016, compared to the prior year:

### Capital Assets

	Governmental Activities	Business-type Activities	Total Government 2016	2015
Land and land interests	\$ 10,422,916	\$ 1,992,847	\$ 12,415,763	\$ 13,470,693
Construction in progress	7,987,331	228,252	8,215,583	17,927,487
Infrastructure	164,972,258	-	164,972,258	159,629,326
Buildings and improvements	58,409,956	16,839,461	75,249,417	66,905,167
Equipment	25,322,143	3,500,287	28,822,430	28,328,190
	267,114,604	22,560,847	289,675,451	286,260,863
Less accumulated depreciation	(147,366,073)	(10,506,672)	(157,872,745)	(147,700,239)
Total	<u>\$119,748,531</u>	<u>\$ 12,054,175</u>	<u>\$131,802,706</u>	<u>\$138,560,624</u>

### DEBT MANAGEMENT

#### Governmental Activities Debt

During the year, total long-term debt increased by \$16,130,076. This was primarily the result of the increase in the County's proportionate share of the Florida State Retirement System net pension liability in the amount of \$14,206,880. The following schedule shows the balances of the County's long-term debt at year end:

Revenue bonds	\$ 10,062,567
Capital leases	1,610,194
Compensated absences	2,199,466
County's proportionate share FRS pension liability	33,484,300
	<u>\$ 47,356,527</u>

#### Business-type Activities Debt

The County has received loans from the Florida Department of Environmental Protection in support of its utility services. The total balances payable of these loans was \$1,184,843 at September 30, 2016.

The County also had a liability for compensated absences of \$35,029 of which \$5,029 was long-term and an estimated landfill closure and post-closure liability \$9,785,167 at year end.

### OTHER FINANCIAL INFORMATION

#### Economic Factors and Next Year's Budget

- The current unemployment rate for the County, was 5.4%.
- The estimated population for the County in 2016 was 67,531.
- The ad valorem tax millage rate for the County was 8.015 mills in 2016, which was the same as the prior year. During the ensuing year, the millage rate was kept at the same rate.

## **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. Questions concerning this report or requests for additional information should be addressed to the County Manager, P. O. Drawer 1529, Lake City, Florida 32025, or by calling (386) 758-1005.

# COLUMBIA COUNTY, FLORIDA

## STATEMENT OF NET POSITION

September 30, 2016

	Governmental Activities	Business - type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 21,949,444	\$ 713,101	\$ 22,662,545
Accounts receivable	64,658	434,055	498,713
Internal balances	1,453,869	(1,453,869)	-
Due from agency funds	1,346,008	-	1,346,008
Due from other governmental units	5,013,276	90,909	5,104,185
Inventories	85,233	-	85,233
Prepaid expenses	50,726	-	50,726
Investments	20,136,172	3,062,617	23,198,789
Other current assets	10,850	-	10,850
<b>Total current assets</b>	<b>50,110,236</b>	<b>2,846,813</b>	<b>52,957,049</b>
<b>Noncurrent Assets</b>			
<b>Restricted assets</b>			
Cash	-	98,344	98,344
Investments	-	7,287,384	7,287,384
<b>Total restricted assets</b>	<b>-</b>	<b>7,385,728</b>	<b>7,385,728</b>
<b>Notes receivable</b>	<b>57,348</b>	<b>-</b>	<b>57,348</b>
<b>Capital assets, net</b>	<b>119,748,531</b>	<b>12,054,175</b>	<b>131,802,706</b>
<b>Total noncurrent assets</b>	<b>119,805,879</b>	<b>19,439,903</b>	<b>139,245,782</b>
<b>Total assets</b>	<b>169,916,115</b>	<b>22,286,716</b>	<b>192,202,831</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
County's proportionate share of FRS pension related	19,922,594	262,534	20,185,128
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	1,611,138	103,614	1,714,752
Accrued wages	74,801	7,818	82,619
Accrued payroll liabilities	649,796	-	649,796
Due to other governmental units	213,352	-	213,352
Accrued compensated absences	329,920	30,000	359,920
Interest payable	17,540	5,726	23,266
Deposits	2,500	25,892	28,392
Unearned revenue	159,035	-	159,035
Current portion County's proportionate share FRS pension liability	3,006,488	35,378	3,041,866
Other current liabilities	7,383	-	7,383
<b>Total current liabilities</b>	<b>6,071,953</b>	<b>208,428</b>	<b>6,280,381</b>
<b>Current Liabilities Payable from Restricted Assets</b>			
<b>Landfill postclosure costs</b>	<b>-</b>	<b>204,520</b>	<b>204,520</b>
	<b>-</b>	<b>204,520</b>	<b>204,520</b>
<b>Noncurrent Liabilities</b>			
Due within one year:			
Notes and loans payable	-	107,009	107,009
Capital leases	519,971	-	519,971
Bonds payable	1,172,877	-	1,172,877
Due in more than one year:			
Notes and loans payable	-	1,077,834	1,077,834
Capital leases	1,090,223	-	1,090,223
Bonds payable	8,889,690	-	8,889,690
Accrued compensated absences	1,869,546	5,029	1,874,575
Estimated landfill closure liability	-	9,580,647	9,580,647
County proportionate share FRS pension liability	30,477,812	362,481	30,840,293
<b>Total noncurrent liabilities</b>	<b>44,020,119</b>	<b>11,133,000</b>	<b>55,153,119</b>
<b>Total liabilities</b>	<b>50,092,072</b>	<b>11,545,948</b>	<b>61,638,020</b>
<b>(Continued)</b>			

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF NET POSITION**

**September 30, 2016**

	<b>Governmental Activities</b>	<b>Business - type Activities</b>	<b>Total</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
County's proportionate share of FRS pension related	<u>\$ 6,367,838</u>	<u>\$ 102,229</u>	<u>\$ 6,470,067</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	108,075,770	10,869,332	118,945,102
Restricted	16,944,306	-	16,944,306
Unrestricted	<u>8,358,723</u>	<u>31,741</u>	<u>8,390,464</u>
<b>Total net position</b>	<u><u>\$ 133,378,799</u></u>	<u><u>\$ 10,901,073</u></u>	<u><u>\$ 144,279,872</u></u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended September 30, 2016

	Expenses	Program Services			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
<b>Functions/Programs</b>							
<b>Governmental Activities</b>							
General Government	\$ 10,444,601	\$ 3,302,363	\$ 75,942	\$ -	\$ (7,066,296)	\$ -	\$ (7,066,296)
Public Safety	24,518,997	6,625,924	415,651	349,672	(17,127,750)	-	(17,127,750)
Physical Environment	4,838,906	3,935,609	-	-	(903,297)	-	(903,297)
Transportation	16,939,019	16,621	-	4,379,217	(12,543,181)	-	(12,543,181)
Economic Environment	1,629,647	-	376,777	-	(1,252,870)	-	(1,252,870)
Human Services	2,669,365	1,965	147,189	-	(2,520,211)	-	(2,520,211)
Culture/recreation	2,544,271	113,377	713,956	-	(1,716,938)	-	(1,716,938)
Court-related	2,202,346	2,189,749	126,023	-	113,426	-	113,426
Interest on long-term debt	211,329	-	-	-	(211,329)	-	(211,329)
<b>Total governmental activities</b>	<b>65,998,482</b>	<b>16,185,608</b>	<b>1,855,538</b>	<b>4,728,889</b>	<b>(43,228,447)</b>	<b>-</b>	<b>(43,228,447)</b>
<b>Business - type activities</b>							
Physical Environment							
Landfill and utilities	2,932,300	3,209,516	92,909	-	-	370,125	370,125
<b>Total government</b>	<b>68,930,782</b>	<b>19,395,124</b>	<b>1,948,447</b>	<b>4,728,889</b>	<b>(43,228,447)</b>	<b>370,125</b>	<b>(42,858,322)</b>
<b>General revenues</b>							
Ad valorem taxes					18,527,377	-	18,527,377
Sales and use taxes					12,508,377	-	12,508,377
Franchise taxes					139,289	-	139,289
Federal payments in lieu of taxes					253,351	-	253,351
Federal and state shared revenue					11,227,555	-	11,227,555
Interest					171,676	105,579	277,255
Gain (loss) on disposition of fixed assets					(2,235,307)	84,228	(2,151,079)
Rents and royalties					3,336	-	3,336
Miscellaneous					810,451	-	810,451
Transfers in (out)					1,299,000	(1,299,000)	-
<b>Total general revenues</b>					<b>42,705,105</b>	<b>(1,109,193)</b>	<b>41,595,912</b>
<b>Change in net position</b>					<b>(523,342)</b>	<b>(739,068)</b>	<b>(1,262,410)</b>
<b>Net position beginning of year</b>					<b>133,902,141</b>	<b>11,640,141</b>	<b>145,542,282</b>
<b>Net position end of year</b>					<b>\$ 133,378,799</b>	<b>\$ 10,901,073</b>	<b>\$ 144,279,872</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**September 30, 2016**

	Special Revenue Funds						Capital Projects Funds		Other Governmental Funds	Total Governmental Funds
	General Fund	County Transportation Trust	Municipal Services	Clerk of Courts Operating	Sheriff Operating	Economic Development	County Facilities	Road Improvement		
<b>ASSETS</b>										
Cash	\$ 1,789,883	\$ 849,612	\$ 398,941	\$ 92,306	\$ 1,343,985	\$ 63,599	\$ 6,090,546	\$ 5,333,065	\$ 5,987,507	\$ 21,949,444
Accounts receivable	2,222	-	28,761	-	25,118	-	-	-	8,557	64,658
Notes receivable	-	-	-	-	-	57,348	-	-	-	57,348
Due from other funds	2,059,380	-	935,637	164,136	26,318	-	-	-	967,482	4,152,953
Due from other governmental units	1,526,534	550,862	41,058	20,387	31,573	-	-	2,625,122	217,740	5,013,276
Inventories	-	85,233	-	-	-	-	-	-	-	85,233
Prepaid expenses	1,960	-	-	-	43,848	-	-	-	4,918	50,726
Investments	10,336,390	3,487,750	2,956,943	-	-	393,776	-	1,753,933	1,207,380	20,136,172
Other current assets	6,937	1,913	-	-	-	2,000	-	-	-	10,850
<b>Total assets</b>	<b>\$ 15,723,306</b>	<b>\$ 4,975,370</b>	<b>\$ 4,361,340</b>	<b>\$ 276,829</b>	<b>\$ 1,470,842</b>	<b>\$ 516,723</b>	<b>\$ 6,090,546</b>	<b>\$ 9,712,120</b>	<b>\$ 8,393,584</b>	<b>\$ 51,520,660</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts payable	\$ 373,741	\$ 420,569	\$ 242,142	\$ 2,486	\$ 115,435	\$ 2,513	\$ 17,387	\$ 333,700	\$ 103,165	\$ 1,611,138
Due to other funds	-	-	-	98,896	842,839	-	-	-	411,341	1,353,076
Due to other governmental units	-	-	-	21,433	-	-	-	170,000	21,919	213,352
Accrued wages	53,503	-	8,646	-	-	1,856	-	-	10,796	74,801
Accrued payroll liabilities	67,893	40,001	2,181	14,834	505,520	-	-	-	19,367	649,796
Deposits	-	-	-	-	-	-	2,500	-	-	2,500
Unearned revenues	-	-	19,855	139,180	-	-	-	-	-	159,035
Other current liabilities	-	-	335	-	7,048	-	-	-	-	7,383
<b>Total liabilities</b>	<b>495,137</b>	<b>460,570</b>	<b>273,159</b>	<b>276,829</b>	<b>1,470,842</b>	<b>4,369</b>	<b>19,887</b>	<b>503,700</b>	<b>566,588</b>	<b>4,071,081</b>
<b>Fund balances</b>										
<b>Nonspendable:</b>										
Inventories	-	85,233	-	-	-	-	-	-	-	85,233
Notes receivable	-	-	-	-	-	57,348	-	-	-	57,348
Advance	971,030	-	-	-	-	-	-	-	-	971,030
Other	1,960	-	-	-	-	2,000	-	-	4,918	8,878
Restricted	1,043,508	4,429,567	4,088,181	-	-	-	-	-	7,383,050	16,944,306
Committed	944,429	-	-	-	-	-	-	-	34,976	979,405
Assigned	773,662	-	-	-	-	453,006	6,070,659	9,208,420	404,052	16,909,799
Unassigned	11,493,580	-	-	-	-	-	-	-	-	11,493,580
<b>Total fund balances</b>	<b>15,228,169</b>	<b>4,514,800</b>	<b>4,088,181</b>	<b>-</b>	<b>-</b>	<b>512,354</b>	<b>6,070,659</b>	<b>9,208,420</b>	<b>7,826,996</b>	<b>47,449,579</b>
<b>Total liabilities and fund balances</b>	<b>\$ 15,723,306</b>	<b>\$ 4,975,370</b>	<b>\$ 4,361,340</b>	<b>\$ 276,829</b>	<b>\$ 1,470,842</b>	<b>\$ 516,723</b>	<b>\$ 6,090,546</b>	<b>\$ 9,712,120</b>	<b>\$ 8,393,584</b>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds:

Long-term debt transactions are not due and payable in the current period and therefore are not reported in the funds:

Interest payable (17,540)  
Bonds payable (10,062,567)  
Capital leases (1,610,194)  
Accrued compensated absences (2,199,466)  
County's proportionate share of FRS net pension liability and related deferred outflow/inflows (19,929,544)

See notes to financial statements.

Net position of governmental activities

\$ 133,378,799

**COLUMBIA COUNTY, FLORIDA**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended September 30, 2016**

	Special Revenue Funds						Capital Projects Funds		Other Governmental Funds	Total Governmental Funds
	General Fund	County Transportation Trust	Municipal Services	Clerk of Courts Operating	Sheriff Operating	Economic Development	County Facilities	Road Improvement		
<b>REVENUES</b>										
Taxes	\$ 23,448,582	\$ 4,218,074	\$ 505,156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,012,135	\$ 31,183,947
Licenses and permits, special assessments	19,238	-	9,500,891	-	-	-	-	-	18,433	9,538,562
Intergovernmental	6,409,033	4,697,535	272,183	118,337	69,329	1,070,000	-	4,379,217	731,021	17,746,655
Charges for services	2,079,148	5,524	15,895	1,137,479	227,107	-	27,325	-	2,470,267	5,962,745
Fines and forfeitures	106,242	-	-	497,067	-	-	-	-	272,385	875,694
Interest	71,114	27,870	25,963	-	1,372	9,363	-	22,424	13,570	171,676
Miscellaneous	386,009	195,487	33,026	-	162,120	13,765	-	-	100,967	891,374
<b>Total revenues</b>	<b>32,519,366</b>	<b>9,144,490</b>	<b>10,353,114</b>	<b>1,752,883</b>	<b>459,928</b>	<b>1,093,128</b>	<b>27,325</b>	<b>4,401,641</b>	<b>6,618,778</b>	<b>66,370,653</b>
<b>EXPENDITURES</b>										
<b>Current expenditures</b>										
General government	4,529,567	-	347,584	683,496	-	-	122,121	-	3,749,818	9,432,586
Public safety	3,076,574	-	5,558,788	-	12,830,333	-	10,679	-	137,884	21,614,258
Physical environment	1,182,912	7,467	3,531,636	-	-	-	7,907	-	-	4,729,922
Transportation	-	7,083,484	-	-	-	-	350	2,044,334	157,900	9,286,068
Economic environment	167,694	-	11,531	-	-	350,063	-	-	1,068,196	1,597,484
Human services	2,544,961	-	-	-	-	-	70,000	-	-	2,614,961
Culture/recreation	1,298,378	-	-	-	-	-	90,343	-	785,639	2,174,360
Court-related	-	-	-	1,398,094	-	-	-	-	698,166	2,096,260
<b>Capital outlay</b>										
General government	217,896	-	-	-	-	-	-	-	133,440	351,336
Public safety	115,753	-	29,452	-	208,478	-	282,312	-	96,262	732,257
Physical environment	88,532	-	-	-	-	-	52,794	-	-	141,326
Transportation	-	551,489	-	-	-	-	39,141	3,593,431	739,207	4,923,268
Culture/recreation	60,557	-	-	-	-	-	35,668	-	-	96,225
Court-related	-	-	-	-	-	-	-	-	15,814	15,814
<b>Debt services</b>										
Principal	-	152,417	3,547,118	-	-	451,514	-	-	3,273,777	7,424,826
Interest	-	54,119	89,347	-	-	38,284	-	-	59,717	241,467
<b>Total expenditures</b>	<b>13,282,824</b>	<b>7,848,976</b>	<b>13,115,456</b>	<b>2,081,590</b>	<b>13,038,811</b>	<b>839,861</b>	<b>711,315</b>	<b>5,637,765</b>	<b>10,915,820</b>	<b>67,472,418</b>
<b>Excess of revenues over (under) expenditures</b>	<b>19,236,542</b>	<b>1,295,514</b>	<b>(2,762,342)</b>	<b>(328,707)</b>	<b>(12,578,883)</b>	<b>253,267</b>	<b>(683,990)</b>	<b>(1,236,124)</b>	<b>(4,297,042)</b>	<b>(1,101,765)</b>
<b>Other financing sources (uses)</b>										
Loan proceeds	-	-	3,315,370	-	-	-	-	-	6,000,000	9,315,370
Sale of fixed assets	-	16,500	-	-	-	-	-	-	277,062	293,562
Interfund transfers in	788,581	-	-	328,707	12,578,883	-	7,384,746	4,063,663	18,663,589	43,808,169
Interfund transfers out	(18,310,522)	(2,700,000)	(2,000,000)	-	-	(1,315,000)	(636,800)	-	(17,546,847)	(42,509,169)
<b>Total other financing sources (uses)</b>	<b>(17,521,941)</b>	<b>(2,683,500)</b>	<b>1,315,370</b>	<b>328,707</b>	<b>12,578,883</b>	<b>(1,315,000)</b>	<b>6,747,946</b>	<b>4,063,663</b>	<b>7,393,804</b>	<b>10,907,932</b>
<b>Net change in fund balances</b>	<b>1,714,601</b>	<b>(1,387,986)</b>	<b>(1,446,972)</b>	<b>-</b>	<b>-</b>	<b>(1,061,733)</b>	<b>6,063,956</b>	<b>2,827,539</b>	<b>3,096,762</b>	<b>9,806,167</b>
Fund balances beginning of year	13,513,568	5,902,786	5,535,153	-	-	1,574,087	6,703	6,380,881	4,730,234	37,643,412
Fund balances end of year	\$ 15,228,169	\$ 4,514,800	\$ 4,088,181	\$ -	\$ -	\$ 512,354	\$ 6,070,659	\$ 9,208,420	\$ 7,826,996	\$ 47,449,579
See notes to financial statements.										



**COLUMBIA COUNTY, FLORIDA**

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

**For the Fiscal Year Ended September 30, 2016**

Net change in fund balances - total governmental funds		\$	9,806,167
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.			
Expenditures for capital assets	\$	6,138,704	
Less current year depreciation and adjustments		<u>(10,202,619)</u>	
			(4,063,915)
Governmental funds do not report gain or loss on trade-in or disposition of capital assets. However, the statement of activities reports these gains or losses.			
Net loss on disposition of capital assets			(2,528,869)
Repayments of notes, capital leases and bonds are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			
Capital lease principal payments		152,417	
Bond principal payments		<u>7,272,409</u>	
			7,424,826
Loan proceeds are other financing sources in governmental funds but are liabilities in the statement of net position			(9,315,370)
Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.			
Net change in compensated absences		(32,654)	
Net change in accrued interest expense		12,598	
Net change in the Countys proportionate share FRS pension liability and related deferred outflows and inflows		<u>(1,826,125)</u>	
			(1,846,181)
	\$		<u>(523,342)</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2016**

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 880	\$ 712,221	\$ 713,101
Accounts receivable net of allowance for uncollectible accounts	425,116	8,939	434,055
Due from other governmental units	90,909	-	90,909
Investments	3,062,617	-	3,062,617
<b>Total current assets</b>	<u>3,579,522</u>	<u>721,160</u>	<u>4,300,682</u>
<b>Noncurrent Assets</b>			
<b>Restricted assets</b>			
Cash	98,344	-	98,344
Investments	7,287,384	-	7,287,384
<b>Total restricted assets</b>	<u>7,385,728</u>	<u>-</u>	<u>7,385,728</u>
<b>Fixed assets</b>			
Land	887,973	1,104,874	1,992,847
Buildings	508,514	131,200	639,714
Improvements other than buildings	12,175,435	4,024,312	16,199,747
Equipment	3,436,576	63,711	3,500,287
Construction in progress	60,632	167,620	228,252
Allowance for depreciation	(9,249,214)	(1,257,458)	(10,506,672)
<b>Total fixed assets</b>	<u>7,819,916</u>	<u>4,234,259</u>	<u>12,054,175</u>
<b>Total noncurrent assets</b>	<u>15,205,644</u>	<u>4,234,259</u>	<u>19,439,903</u>
<b>Total assets</b>	<u>18,785,166</u>	<u>4,955,419</u>	<u>23,740,585</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Florida Retirement System pension related	262,534	-	262,534
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	98,649	4,965	103,614
Accrued wages	7,818	-	7,818
Due to other funds	-	1,453,869	1,453,869
Interest payable	-	5,726	5,726
Accrued compensated absences	30,000	-	30,000
Deposits	17,322	8,570	25,892
Note payable, short-term portion	-	107,009	107,009
Current portion County's share FRS net pension liability	35,378	-	35,378
<b>Total current liabilities</b>	<u>189,167</u>	<u>1,580,139</u>	<u>1,769,306</u>
<b>Current Liabilities Payable from Restricted Assets</b>			
Landfill postclosure costs	204,520	-	204,520
<b>Total current liabilities payable from restricted assets</b>	<u>204,520</u>	<u>-</u>	<u>204,520</u>

(Continued)

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2016**

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Total</u>
<b>Noncurrent Liabilities</b>			
Share of Florida State Retirement pension liability	\$ 362,481	\$ -	\$ 362,481
Loan payable Department of Environmental Protection	-	1,077,834	1,077,834
Estimated landfill closure liability	9,580,647	-	9,580,647
Accrued compensated absences	5,029	-	5,029
<b>Total noncurrent liabilities</b>	<u>9,948,157</u>	<u>1,077,834</u>	<u>11,025,991</u>
<b>Total liabilities</b>	<u>10,341,844</u>	<u>2,657,973</u>	<u>12,999,817</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Florida Retirement System pension related	<u>102,229</u>	<u>-</u>	<u>102,229</u>
 <b>NET POSITION</b>			
Invested in capital assets, net of related debt	7,819,916	3,049,416	10,869,332
Unrestricted	<u>783,711</u>	<u>(751,970)</u>	<u>31,741</u>
<b>Total net position</b>	<u>\$ 8,603,627</u>	<u>\$ 2,297,446</u>	<u>\$ 10,901,073</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**PROPRIETARY FUNDS**

**For the Fiscal Year Ended September 30, 2016**

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>			
Licenses and permits	\$ -	\$ 5,097	\$ 5,097
Charges for services			
Physical environment			
Garbage/solid waste revenue	3,130,842	-	3,130,842
Water and wastewater revenue	4,312	69,265	73,577
<b>Total operating revenues</b>	<u>3,135,154</u>	<u>74,362</u>	<u>3,209,516</u>
<b>OPERATING EXPENSES</b>			
<b>Landfill and water/wastewater utilities</b>			
Personnel services	708,903	-	708,903
Operating expenses	1,342,786	72,396	1,415,182
Depreciation	567,877	209,993	777,870
<b>Total landfill and water/wastewater utilities</b>	<u>2,619,566</u>	<u>282,389</u>	<u>2,901,955</u>
<b>Total operating expenses</b>	<u>2,619,566</u>	<u>282,389</u>	<u>2,901,955</u>
<b>Operating Income (loss)</b>	<u>515,588</u>	<u>(208,027)</u>	<u>307,561</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
State grants			
Physical environment			
State grants	92,909	-	92,909
Gain (loss) on disposal of capital assets	84,228	-	84,228
Interest earnings	103,939	1,640	105,579
Debt service costs			
Interest	-	(30,345)	(30,345)
<b>Total nonoperating revenues (expenses)</b>	<u>281,076</u>	<u>(28,705)</u>	<u>252,371</u>
<b>Change in net position before operating transfers</b>	<u>796,664</u>	<u>(236,732)</u>	<u>559,932</u>
<b>Operating transfers out</b>	<u>(1,814,000)</u>	<u>-</u>	<u>(1,814,000)</u>
<b>Operating transfers in</b>	<u>-</u>	<u>515,000</u>	<u>515,000</u>
<b>Change in net position after operating transfers</b>	<u>(1,017,336)</u>	<u>278,268</u>	<u>(739,068)</u>
<b>Net position at beginning of year</b>	<u>9,620,963</u>	<u>2,019,178</u>	<u>11,640,141</u>
<b>Net position at end of year</b>	<u>\$ 8,603,627</u>	<u>\$ 2,297,446</u>	<u>\$ 10,901,073</u>
<b>See notes to financial statements.</b>			

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

**For the Fiscal Year Ended September 30, 2016**

	<u><b>Landfill Enterprise</b></u>	<u><b>Utilities</b></u>	<u><b>Total</b></u>
<b>Cash Flows From Operating Activities</b>			
Cash flows received from customers	\$ 3,112,266	\$ 75,539	\$ 3,187,805
Cash paid to employees	(476,504)	-	(476,504)
Cash paid for employee benefits	(199,087)	-	(199,087)
Cash paid to vendors	(1,124,978)	(241,599)	(1,366,577)
Net cash provided (used) by operating activities	<u>1,311,697</u>	<u>(166,060)</u>	<u>1,145,637</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
State grants received	19,673	170,882	190,555
Transfers in/(out) from/to other funds	(1,814,000)	515,000	(1,299,000)
Net cash provided (used) by noncapital financing activities	<u>(1,794,327)</u>	<u>685,882</u>	<u>(1,108,445)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Payments to acquire or construct capital assets	(561,027)	(171,744)	(732,771)
Sale of surplus equipment	84,228	-	84,228
Principal paid on bonds	-	(104,604)	(104,604)
Interest paid on capital debt	-	(30,879)	(30,879)
Net cash used for capital and related financing activities	<u>(476,799)</u>	<u>(307,227)</u>	<u>(784,026)</u>
<b>Cash Flows From Investing Activities</b>			
Interest received	103,939	1,640	105,579
Decrease in investments	23,062	-	23,062
Net cash provided by investing activities	<u>127,001</u>	<u>1,640</u>	<u>128,641</u>
Net increase (decrease) in cash	(832,428)	214,235	(618,193)
<b>Cash at beginning of year</b>	<u>931,652</u>	<u>497,986</u>	<u>1,429,638</u>
<b>Cash at end of year</b>	<u><u>\$ 99,224</u></u>	<u><u>\$ 712,221</u></u>	<u><u>\$ 811,445</u></u>
Shown in the financial statements as:			
Current assets			
Cash	\$ 880	\$ 712,221	\$ 713,101
Noncurrent assets			
Restricted assets	98,344	-	98,344
	<u><u>\$ 99,224</u></u>	<u><u>\$ 712,221</u></u>	<u><u>\$ 811,445</u></u>

(Continued)

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2016

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Total</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>			
<b>Operating income (loss)</b>	<u>\$ 515,588</u>	<u>\$ (208,027)</u>	<u>\$ 307,561</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>			
Depreciation	567,877	209,993	777,870
(Increase) decrease in assets:			
Accounts receivable	(23,638)	550	(23,088)
Increase (decrease) in liabilities:			
Accounts payable	10,971	(169,203)	(158,232)
Due to other funds			
Accrued wages	5,710	-	5,710
Accrued compensated absences	4,365	-	4,365
Deposits	750	627	1,377
Net pension liability	23,237	-	23,237
Landfill closure liability	206,837	-	206,837
<b>Total adjustments</b>	<u>796,109</u>	<u>41,967</u>	<u>838,076</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 1,311,697</u>	<u>\$ (166,060)</u>	<u>\$ 1,145,637</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**September 30, 2016**

**ASSETS**

Cash	\$ 3,862,916
Accounts receivable	1,348,826
<b>Total assets</b>	<b>\$ 5,211,742</b>

**LIABILITIES**

Accounts payable	\$ 1,605
Cash bond liability	31,694
Court fees payable	160,620
Deposits held in escrow	150,569
Due to other funds	1,346,008
Due to other governmental units	1,180,966
Tax deeds payable	524,694
Other current liabilities	1,815,586
<b>Total liabilities</b>	<b>5,211,742</b>
<b>NET POSITION</b>	<b>\$ -</b>

**See notes to financial statements.**

## **COLUMBIA COUNTY, FLORIDA**

### **NOTES TO FINANCIAL STATEMENTS**

September 30, 2016

#### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Columbia County, Florida, (the "County") is a political subdivision of the State pursuant to Article VIII, Section 1(a) of the Constitution of the State of Florida. The County is governed by the Board of County Commissioners and five elected constitutional officers (Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector) in accordance with State statutes and regulations. The constitutional officers maintain separate accounting records and budgets from the Board of County Commissioners. The Constitution of the State of Florida, Article VIII, Section 1(d) created the constitutional officers and Article VIII, Section 1(e), created the Board of County Commissioners.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989, are not applied in the preparation of the financial statements of the proprietary fund types in accordance with GASB Statement 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

#### **A. Reporting Entity**

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the Board) and its component units. However, some component units, because of the closeness of their relationships with the Board, should be blended as though they are part of the Board. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the Board), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing body, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the Board's special purpose financial statements. Management determined that there were no organizations that should be included in the County's financial statements as a component unit.



## **B. Measurement Focus and Basis of Accounting**

The basic financial statements of the County are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

### **1. Government-wide Financial Statements**

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component unit. 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 and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 - Accounting and Financial Reporting for Nonexchange Transactions.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry, if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. As applicable, the County also chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect.

### **2. Fund Financial Statements**

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental 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.

Fund financial statements for the primary government's governmental and proprietary funds are presented after the government-wide financial statements. These statements display information about major funds individually, and nonmajor funds in the aggregate for governmental and enterprise funds.

### **Governmental Funds**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 75 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources." Governmental funds operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Any noncurrent portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Noncurrent portions of other long-term receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes 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.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

### **Proprietary Funds**

The County's Landfill Enterprise Fund and Utilities Fund are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets. The County applies all GASB pronouncements as well as all FASB Statements and Interpretations, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, taxes, and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

### **C. Basis of Presentation**

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds which either had debt outstanding or specific community focus as major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

#### **1. Governmental Major Funds:**

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

**County Transportation Trust Fund** - The County Transportation Trust Fund accounts for expenditures incurred for the maintenance and repairs of County roads. Financing is provided by local option fuel taxes and distributions of state shared fuel taxes and other revenues.

**Municipal Services Fund** - The Municipal Services Fund accounts for expenditures incurred for the solid waste collection and fire services in the unincorporated area, and other services which primarily benefit residents of the unincorporated area of the County. Financing is provided by non ad valorem assessments and other revenues derived from the unincorporated area.

**Clerk of Courts Operating Fund** - The Operating Fund of the Clerk of Circuit Court is used to account for all financial resources which are generated from operations of the Office or any other resources not required to be accounted for in another fund.

**Sheriff Operating Fund** - The Operating Fund of the Sheriff is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

**Economic Development Fund** - The Economic Development Fund accounts for expenditures associated with debt service and other outlays for economic development projects authorized by the Board of County Commissioners.

**County Facilities Fund** - The County Facilities Fund accounts for ongoing capital projects related to the County's major facilities and infrastructure.

**Road Improvement Fund** - The Road Improvement Fund accounts for the ongoing resurfacing and improvements to various roads within the County. Financing is provided by State construction grants and various transfers from other County funds.

## **2. Proprietary Funds:**

**Landfill Enterprise Fund** - The Landfill Enterprise Fund accounts for the revenues, expenses, assets, and liabilities associated with the County operated solid waste disposal services.

**Utilities Fund** - The Utilities Fund accounts for revenues, expenses, assets and liabilities associated with the County operated water and sewer services.

## **3. Non-current Governmental Assets/Liabilities:**

GASB Statement 34 requires noncurrent governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds and capital leases, to be reported in the governmental activities column in the government-wide statement of net position.

## **D. Assets, Liabilities and Net Position or Equity**

### **1. Cash and Cash Equivalents**

The County maintains a cash pool that is available for use by most funds. Earnings from the pooled cash are allocated to the respective funds based on applicable cash participation by each fund. The cash pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the cash pools are classified as cash and cash equivalents for financial statement purposes. In addition, longer-term investments are held by certain of the County's funds and are reported as investments on these statements.

### **2. Investments**

Investments, consisting of investments in the Florida Local Government Surplus Funds Trust Fund and Florida Counties Investment Trust Fund and money market funds, are stated at cost which approximates market value. All such investments are secured as required by State law. Other investments of the County are stated at market value as described in note 4.

### **3. Allowance for Doubtful Accounts**

The County provides an allowance for Landfill Enterprise Fund accounts receivable that may become uncollectible. At September 30, 2016, this allowance was \$18,009. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2016.

#### **4. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All receivables are shown net of an allowance for doubtful accounts. Any receivables in excess of 180 days would comprise the trade accounts receivable allowance for doubtful accounts.

#### **5. Inventories**

Inventories are valued at cost, which approximates market, using the “first-in, first-out” method of accounting. Supplies inventories of certain governmental funds are recorded as expenditures when consumed rather than when purchased.

#### **6. Restricted Assets**

Certain net position of the County is classified as restricted assets on the statement of net position because its use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributions, or laws or regulations of other governments. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

#### **7. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, County-administered Special Revenue Funds, Capital Projects Funds, and the Enterprise Funds. Material encumbrances outstanding at year end, if any, are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

#### **8. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost, or not reported. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The County holds legal title to the capital assets used in the operations of the Board, Clerk of the Circuit Court, Property Appraiser, Supervisor of Elections and Tax Collector, as is accountable for them under Florida Law.

The Sheriff is accountable for and thus maintains capital asset records pertaining only to equipment used in his operations.

Property, plant, and equipment of the County, as well as component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and improvements	5 - 40
Machinery and equipment	3 - 12
Road and bridge construction	20 - 40

## 9. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred charge on refunding, if any, is reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

## 10. Net position flow assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

## **11. Fund balance flow assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources) the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

## **12. Program revenue**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by given function or segments and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes and other internally dedicated resources are reported as general revenues rather than as program revenues.

## **13. Capitalization of Interest**

Interest costs related to bond issues are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments.

## **14. Unearned Revenues**

Unearned revenues reported in government-wide financial statements represent revenues received, but not earned in accordance with grant or other contractual requirements. These unearned revenues reported in governmental fund financial statements represent amounts which are measurable but not available and, in accordance with the modified accrual basis of accounting, are recognized as revenue in the fiscal year in which they are earned.

## **15. Accrued Compensated Absences**

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The noncurrent portion is the amount estimated to be used in subsequent fiscal years. Both the current and noncurrent estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentation.

## **16. Obligation for Bond Arbitrage Rebate**

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the "revenue reduction" approach in accounting to rebatable arbitrage. This approach treats excess earnings as

a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2016.

#### **17. Landfill Closure Costs**

Under the terms of current state and federal regulations, the County was required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of twenty years after closure. The County recognizes these costs of post-closure maintenance annually. Required obligations for closure and post-closure costs are recognized in the Landfill Fund.

#### **18. Capital Contributions**

The capital contributions from developers are reported after nonoperating revenues and expenses on the statement of revenues, expenses, and changes in fund assets in accordance with GASB Statement 33.

### **NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

#### **A. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position.**

“Total fund balances” of the County’s governmental funds, \$47,449,579, differs from “net position” of governmental activities, \$133,378,799, reported in the statement of net position. This difference primarily results from the long-term economical focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

#### Capital related items

When capital assets (property, plant, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the County as a whole.

Cost of capital assets	\$ 267,114,604
Accumulated depreciation	(147,366,073)
Total	<u>\$ 119,748,531</u>

#### Long-term debt transactions

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2016, were:



Revenue notes/Bonds payable	\$ 10,062,567
Accrued interest	17,540
Capital leases payable	1,610,194
Compensated absences	2,199,466
County's proportionate share FRS net pension liability	33,484,300
Total	<u>\$ 47,374,067</u>

#### Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position in a future period while deferred inflows of resources represent an acquisition of net position in a future period and accordingly, are not reported in the governmental fund statements. However, the statement of net position includes those deferred outflows /inflows of resources.

Deferred outflows of resources	\$ 19,922,594
Deferred inflows of resources	(6,367,838)
	<u>\$ 13,554,756</u>

#### Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$1,353,076 between governmental funds must be eliminated for the statement of net position.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

	<b>Total Governmental Funds</b>	<b>Capital Related Items</b>	<b>Long-Term Debt Transactions</b>	<b>Deferred Outflow/Inflows of Resources</b>	<b>Reclassifications and Eliminations</b>	<b>Statement of Net Position</b>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 21,949,444	\$ -	\$ -	\$ -	\$ -	\$ 21,949,444
Accounts receivable - net	64,658	-	-	-	-	64,658
Due from other funds	4,152,953	-	-	-	(1,353,076)	2,799,877
Due from other governmental units	5,013,276	-	-	-	-	5,013,276
Note receivable	57,348	-	-	-	-	57,348
Investments	20,136,172	-	-	-	-	20,136,172
Inventories	85,233	-	-	-	-	85,233
Prepaid expense	50,726	-	-	-	-	50,726
Other current assets	10,850	-	-	-	-	10,850
Capital assets - net	-	119,748,531	-	-	-	119,748,531
<b>Total assets</b>	<b>51,520,660</b>	<b>119,748,531</b>	<b>-</b>	<b>-</b>	<b>(1,353,076)</b>	<b>169,916,115</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,922,594</b>	<b>-</b>	<b>19,922,594</b>
<b>LIABILITIES</b>						
Liabilities:						
Accounts payable	\$ 1,611,138	\$ -	\$ -	\$ -	\$ -	\$ 1,611,138
Due to other funds	1,353,076	-	-	-	(1,353,076)	-
Due to other governmental units	213,352	-	-	-	-	213,352
Accrued wages	74,801	-	-	-	-	74,801
Accrued payroll liabilities	649,796	-	-	-	-	649,796
Deposits	2,500	-	-	-	-	2,500
Unearned revenues	159,035	-	-	-	-	159,035
Other current liabilities	7,383	-	-	-	-	7,383
Accrued interest	-	-	17,540	-	-	17,540
Accrued compensated absences	-	-	2,199,466	-	-	2,199,466
Capital leases payable	-	-	1,610,194	-	-	1,610,194
Revenue bonds payable	-	-	10,062,567	-	-	10,062,567
County's proportionate share FRS pension plan	-	-	33,484,300	-	-	33,484,300
<b>Total liabilities</b>	<b>4,071,081</b>	<b>-</b>	<b>47,374,067</b>	<b>-</b>	<b>(1,353,076)</b>	<b>50,092,072</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,367,838</b>	<b>-</b>	<b>6,367,838</b>
<b>Fund balances/net position</b>	<b>\$ 47,449,579</b>	<b>\$ 119,748,531</b>	<b>\$ (47,374,067)</b>	<b>\$ 13,554,756</b>	<b>\$ -</b>	<b>\$ 133,378,799</b>

## NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL

### B. Explanation of Differences Between Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for governmental funds \$9,806,167 differs from the “change in net position” for governmental activities \$(523,342) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

#### Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year. The statement of activities reports gains or losses arising from the disposition of capital assets. Conversely, governmental funds do not report these gains or losses.

Loss on dispositions	\$ (2,528,869)
Capital outlay and other additions	6,343,318
Depreciation expense	(10,407,233)
Difference	<u>\$ (6,592,784)</u>

Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities. Loan proceeds are reported as other financing sources in the governmental funds but are recorded as liabilities in the statement of net position and do not result in resources in the statement of activities.

Debt reduction	\$ 7,424,826
Loan proceeds	(9,315,370)
	<u>\$ (1,890,544)</u>

Some revenues and expenses reported in the statement of activities do not require the use of or provide current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in compensated absences	\$ (32,654)
Net change in accrued interest	12,598
Net change County's proportionate share FRS net pension liability	(14,206,880)
Net change pension related deferred outflows/inflows	12,380,755
	<u>\$ (1,846,181)</u>

#### Reclassification and Eliminations

Transfers in and transfers out in the amount of \$42,509,169 between governmental activities should be eliminated.

## NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

### B. Explanation of Differences Between Government Fund Operating Statements and the Statement of Activities

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Compensated Absences	Accrued Interest	Net Pension Liability	Deferred Outflows/ Inflows of Resources	Reclassifications and Eliminations	Statement of Activities
<b>REVENUES</b>									
Taxes	\$ 31,183,947	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,183,947
Licenses and permits	9,538,562	-	-	-	-	-	-	-	9,538,562
Intergovernmental	17,746,655	-	-	-	-	-	-	-	17,746,655
Charges for services	5,962,745	-	-	-	-	-	-	-	5,962,745
Fines and forfeitures	875,694	-	-	-	-	-	-	-	875,694
Interest	171,676	-	-	-	-	-	-	-	171,676
Miscellaneous	891,374	40,793	-	-	-	-	-	-	932,167
Total revenues	66,370,653	40,793	-	-	-	-	-	-	66,411,446
<b>EXPENDITURES</b>									
<b>Current Expenditures</b>									
General government	9,432,586	767,483	-	(8,830)	-	2,724,351	(2,470,989)	-	10,444,601
Public safety	21,614,258	1,609,964	-	50,854	-	9,081,649	(7,837,728)	-	24,518,997
Physical environment	4,729,922	71,066	-	8,380	-	215,648	(186,110)	-	4,838,906
Transportation	9,286,068	7,516,684	-	(11,632)	17,540	951,726	(821,367)	-	16,939,019
Economic environment	1,597,484	9,005	-	2,874	-	148,079	(127,795)	-	1,629,647
Human services	2,614,961	53,420	-	-	-	7,188	(6,204)	-	2,669,365
Culture/recreation	2,174,360	337,312	-	(9,344)	-	306,220	(264,277)	-	2,544,271
Court related	2,096,260	-	-	352	-	772,019	(666,285)	-	2,202,346
<b>Capital outlay</b>									
General government	351,336	(351,336)	-	-	-	-	-	-	-
Public safety	732,257	(732,257)	-	-	-	-	-	-	-
Physical environment	141,326	(141,326)	-	-	-	-	-	-	-
Transportation	4,923,268	(4,923,268)	-	-	-	-	-	-	-
Culture/recreation	96,225	(96,225)	-	-	-	-	-	-	-
Court related	15,814	(15,814)	-	-	-	-	-	-	-
<b>Debt Service</b>									
Principal	7,424,826	-	(7,424,826)	-	-	-	-	-	-
Interest	241,467	-	-	-	(30,138)	-	-	-	211,329
Total expenditures	67,472,418	4,104,708	(7,424,826)	32,654	(12,598)	14,206,880	(12,380,755)	-	65,998,481
<b>Excess of revenues over (under) expenditures</b>	<b>(1,101,765)</b>	<b>(4,063,915)</b>	<b>7,424,826</b>	<b>(32,654)</b>	<b>12,598</b>	<b>(14,206,880)</b>	<b>12,380,755</b>	<b>-</b>	<b>412,965</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Loan proceeds	9,315,370	-	(9,315,370)	-	-	-	-	-	-
Gain/loss on disposition of fixed assets	293,562	(2,528,869)	-	-	-	-	-	-	(2,235,307)
Transfers in	43,808,169	-	-	-	-	-	-	(42,509,169)	1,299,000
Transfers out	(42,509,169)	-	-	-	-	-	-	42,509,169	-
Total other financing sources (uses)	10,907,932	(2,528,869)	(9,315,370)	-	-	-	-	-	(936,307)
Net change in fund balances	9,806,167	(6,592,784)	(1,890,544)	(32,654)	12,598	(14,206,880)	12,380,755	-	(523,342)
Fund balances at beginning of year	37,643,412	126,341,315	(9,782,217)	(2,166,812)	(30,138)	(19,277,420)	1,174,001	-	133,902,141
Fund balances/net position at end of year	\$ 47,449,579	\$ 119,748,531	\$ (11,672,761)	\$ (2,199,466)	\$ (17,540)	\$ (33,484,300)	\$ 13,554,756	\$ -	\$ 133,378,799

## COLUMBIA COUNTY, FLORIDA

### NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### Budgets and Budgetary Accounting

The County uses the following procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to September 15, the County Manager serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.
6. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2016, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Funds budgets are adopted on the accrual basis.
9. Legal control of the budget is exercised pursuant to applicable provisions of *Florida Statutes*.
10. Appropriations for the County lapse at the close of the fiscal year.
11. The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2016.

	Appropriations	Expenses	Variance Positive (Negative)
Enterprise funds			
Landfill enterprise	\$ 4,693,415	\$ 4,433,566	\$ 259,849
Utilities	1,022,139	312,734	709,405
	<u>\$ 5,715,554</u>	<u>\$ 4,746,300</u>	<u>\$ 969,254</u>

#### NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County maintains a cash pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions.

##### 1. Deposits

At September 30, 2016, the carrying amount of the County's deposits was \$26,623,805. All cash deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

##### 2. Investments

*Florida Statutes*, and various bond covenants authorize investments in certificates of deposit, money market accounts, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund, administered by the Florida State Board of Administration, Florida Local Government Investment Trust Fund, obligations of the U.S. Government, obligations of government agencies unconditionally guaranteed by the U.S. Government, obligations of the Federal Farm Credit Banks, obligations of the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates, obligations of the Federal Home Loan Bank, obligations of the Government National Mortgage Association, obligations of the Federal National Mortgage Association and securities of any management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss.80a-1 et seq., provided the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by U.S. Government obligations. The County invested only in these types of instruments at September 30, 2016.

In accordance with generally accepted accounting principles, the County's investments are categorized in the following schedule to give an indication of the level of custodial credit risk assumed at year end. Category 1 includes investments that are insured or registered, or for which the securities are held by the County or its agent in the County's name. Investments in the Local Government Surplus Funds Trust Fund, the Florida Local Government Investment Trust Fund, money market accounts and guaranteed investment contracts are not categorized since the investments are not evidenced by securities that exist in physical or book entry form.

Investments consist of amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund investment pool created by Sections 218.405, *Florida Statutes*, U.S. Treasury Securities, and those made locally. The local investments operate under the guidelines established by Section 218.415, *Florida Statutes*. The Board's investments in the Pool, which the State Board of Administration indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of September 30, 2016, are similar to money market funds in which shares are reported at fair value, which is amortized cost.

The Florida Local Government Investment Trust Fund (Trust) is a professionally managed fund available only to public entities in Florida. The investment policy of the trust restricts investments to direct obligations of or securities fully guaranteed by the United States; obligations of certain federal agencies, including collateralized mortgage obligations; repurchase agreements; corporate bonds; and commercial paper. As of September 30, 2016, the Trust had investments, at fair value, of approximately \$915.56 million. Of the total investments in the Trust, 21.14% was invested in asset backed securities. 8.43% was invested in U.S agency notes, 25.99% was invested in corporates , 2.35% was invested in private collateralized mortgage obligations, 2.97% was in invested in municipal bonds, .21% was invested in agency ARM pass, .51% was invested in money market funds, 4.82% was invested in certificates of deposit, 13.16% was invested in government related securities and 20.42% was invested in U.S. Treasury notes. The Florida Trust Day to Day Fund (the fund) is a money market fund of the Florida Local Government Investment Trust. As of September 30, 2016, the fund had investments of \$474.16 million of which 31.85% were in repurchase agreements and 13.63% were in government related securities. 31.88% were in corporate securities, 10.09% were in commercial paper, 2.86% in CMO's, 1.25% in asset-backed securities, 8.16% in certificates of deposit and .29% in money market funds.

Investments in the Pool and Trust are reported at fair value based on the fair value per share of the underlying portfolio.

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy to minimize interest rate risk is by structuring the investment portfolio so that the investments are readily convertible to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

**Foreign Currency Risk:** Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment on a deposit. The County does not hold foreign or foreign currency investments and therefore is not subject to foreign currency risk.

**Credit Risk:** The County also mitigates credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of investment or collateral securities that are held in the possession of an outside party. The County generally limits this risk by investing only in permitted investments.

**Concentrations of Credit Risk:** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The implementation of GASB Statement No. 40 requires the disclosure of investments in any one issuer that represent 5% or more of total investments.

As of September 30, 2016, the County had investments with the following issuers in the percentages of total investments shown below:

#### Schedule of Investments at September 30, 2016

State Board of Administration Local Government			
Local Government Surplus Trust Fund Florida PRIME	30 Day Average	\$ 37,157	0.12%
Florida Local Government Investment Pool	1.61 Year Average	9,496,317	31.15%
Florida Local Government Day to Day Fund	52.76 Day Average	10,044,126	32.95%
Certificates of Deposit, Money Market	Daily - 36 months	10,908,573	35.78%
Total Investments		<u>\$ 30,486,173</u>	<u>100.00%</u>

## NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2015-2016 fiscal year were levied in October 2015. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

## NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2016, was as follows:

	Beginning Balance	Donations	Additions	Reclassifications/ Adjustments	Deletions	Balance
<b>Governmental activities:</b>						
Capital assets:						
Land	\$ 9,867,861	\$50,200	\$ 292,788	\$ -	\$ (1,397,918)	\$ 8,812,931
Land interests	1,609,985	-	-	-	-	1,609,985
Buildings	50,065,706	-	52,493	-	(1,130,420)	48,987,779
Improvements other than buildings	9,277,390	-	144,787	-	-	9,422,177
Road improvements	150,351,936	-	1,763,650	12,856,672	-	164,972,258
Construction in progress	17,924,298	-	2,879,387	(12,816,354)	-	7,987,331
Equipment	25,057,111	-	1,049,384	(49,725)	(734,627)	25,322,143
<b>Total capital assets</b>	<b>264,154,287</b>	<b>50,200</b>	<b>6,182,489</b>	<b>(9,407)</b>	<b>(3,262,965)</b>	<b>267,114,604</b>
<b>Less accumulated depreciation</b>	<b>(137,692,936)</b>	<b>-</b>	<b>(10,407,233)</b>	<b>-</b>	<b>734,096</b>	<b>(147,366,073)</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 126,461,351</b>	<b>\$50,200</b>	<b>\$ (4,224,744)</b>	<b>\$ (9,407)</b>	<b>\$ (2,528,869)</b>	<b>\$ 119,748,531</b>
<b>Business-type activities:</b>						
Land	\$ 1,992,847	\$ -	\$ -	\$ -	\$ -	\$ 1,992,847
Equipment	3,271,079	-	500,396	49,725	(320,913)	3,500,287
Buildings	639,714	-	-	-	-	639,714
Improvements	16,199,747	-	-	-	-	16,199,747
Construction in progress	3,189	-	225,063	-	-	228,252
<b>Total capital assets</b>	<b>22,106,576</b>	<b>-</b>	<b>725,459</b>	<b>49,725</b>	<b>(320,913)</b>	<b>22,560,847</b>
<b>Less accumulated depreciation</b>	<b>(10,007,303)</b>	<b>-</b>	<b>(777,871)</b>	<b>(42,411)</b>	<b>320,913</b>	<b>(10,506,672)</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 12,099,273</b>	<b>\$ -</b>	<b>\$ (52,412)</b>	<b>\$ 7,314</b>	<b>\$ -</b>	<b>\$ 12,054,175</b>

Depreciation expense was charged to functions/programs of the Board as follows:

<b>Governmental activities:</b>	
General government	\$ 728,082
Public safety	1,609,964
Physical environment	71,066
Transportation	7,516,684
Economic environment	90,705
Human services	53,420
Culture/recreation	337,312
<b>Total depreciation expense - governmental activities</b>	<b>\$10,407,233</b>
<b>Business -type activities:</b>	
Landfill enterprise	567,877
Utilities enterprise	209,993
<b>Total depreciation expense - business-type activities</b>	<b>\$ 777,870</b>



## NOTE 7. INTERFUND RECEIVABLES/PAYABLES

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided and reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

Fund	Interfund Receivables	Interfund Payables
General fund	\$ 2,059,380	\$ -
Special revenue funds:		
Municipal services benefit unit	935,637	-
Court service fund	11,829	-
Sheriff special revenue	842,839	-
Law enforcement special	-	22,408
Sheriff:	-	-
Operating	26,318	842,839
Inmate welfare	29,751	-
Clerk of Courts:		
Operating	164,136	98,896
Public records modernization	6,458	-
Reserved 10%	8,357	-
Teen court	1,442	-
Property Appraiser operating	-	54,717
Supervisor of Elections operating	-	13,124
Tax Collector operating	66,229	321,092
Capital projects funds:		
Paving assessments	577	-
Agency funds:		
Clerk of Circuit Court		
Trust	-	217,279
Sheriff		
Individual depositors	-	6,880
Inmate welfare	-	33,661
Tax Collector		
Ad valorem tax	-	1,068,950
Tag agency	-	19,238
Enterprise Fund:		
Utilities	-	1,453,869 *
Totals	<u>\$ 4,152,953</u>	<u>\$ 4,152,953</u>

\* Not anticipated to be repaid within one year.

## NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2016, consisted of the following:

<b>Transfers from General Fund to:</b>	
Clerk of Courts Operating Fund	\$ 427,603
Property Appraiser Operating Fund	1,269,068
Sheriff Operating Fund	15,270,182
Supervisor of Elections Operating Fund	772,405
County Facilities Fund	70,746
Connector Road Fund	500,000
Library Enhancement Fund	350
Neighborhood Stabilization Fund	168
<b>Transfers from Community Development Block Grant Fund to:</b>	
General Fund	751
Neighborhood Stabilization Fund	250
<b>Transfers from County Facilities Fund to:</b>	
Supervisor of Elections Operating Fund	73,800
Road Improvement Fund	563,000
<b>Transfers from County Transportation Trust Fund to:</b>	
County Facilities Fund	2,700,000
<b>Transfer from Debt Services Fund to:</b>	
Road Improvement Fund	3,500,666
<b>Transfer from Economic Development Tax to:</b>	
County Facilities Fund	800,000
Utilities Fund	515,000
<b>Transfer from Landfill Enterprise Fund to:</b>	
County Facilities Fund	1,814,000
<b>Transfer from Municipal Services Fund to:</b>	
County Facilities Fund	2,000,000
<b>Transfer from Sheriff Special Revenue Fund to:</b>	
Sheriff Operating Fund	13,324,043
<b>Transfer from Sheriff Inmate Welfare Fund to:</b>	
Sheriff Operating Fund	38,513
<b>Transfer from Special Law Enforcement Fund to:</b>	
Sheriff Operating Fund	48,408
<b>Transfer from Supervisor of Elections Operating Fund to:</b>	
General Fund	13,124
<b>Transfer from Tax Collector Operating to:</b>	
General Fund	321,092
<b>Transfer from Tourist Development Tax to:</b>	
General Fund	300,000
<b>Total transfers</b>	<u><u>\$ 44,323,169</u></u>

Transfers are used to 1) move revenues from the fund that state law requires to collect them to the fund that state law requires to expend them, 2) provide matching funds for grants, 3) use unrestricted general fund revenues to finance transportation activities which must be accounted for in another fund, and 4) fund Constitutional Officer operations.

## **NOTE 9. RECEIVABLE AND PAYABLE BALANCES**

### **Receivables**

Receivables at September 30, 2016, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
<b>Governmental activities:</b>			
General	\$ 2,222	\$ 1,526,534	\$ 1,528,756
County transportation trust	-	550,862	550,862
Municipal services	28,761	41,058	69,819
Sheriff operating	25,118	31,573	56,691
Clerk operating	-	20,387	20,387
Road improvements capital projects	-	2,625,122	2,625,122
Other governmental	8,557	217,740	226,297
<b>Total governmental activities</b>	<b>\$ 64,658</b>	<b>\$ 5,013,276</b>	<b>\$ 5,077,934</b>
<b>Business-type activities:</b>			
Landfill enterprise, net	\$ 425,116	\$ 90,909	\$ 516,025
Utilities	8,939	-	8,939
<b>Landfill enterprise</b>	<b>\$ 434,055</b>	<b>\$ 90,909</b>	<b>\$ 524,964</b>

The Board, upon past collection experience, considers all of the receivables of governmental activities to be fully collectible and has not recorded an allowance for doubtful accounts. The Landfill Enterprise Fund has an allowance for uncollectible account of \$18,009.

Payables at September 30, 2016, were as follows:

	Vendors	Other Governmental Units	Total Payables
<b>Governmental activities:</b>			
General	\$ 373,741	\$ -	\$ 373,741
County transportation trust	420,569	-	420,569
Municipal services	242,142	-	242,142
Clerk of Court operating	2,486	21,433	23,919
Sheriff operating	115,435	-	115,435
Economic development	2,513	-	2,513
County facilities	17,387	-	17,387
Road improvement	333,700	170,000	503,700
Other governmental	103,165	21,919	125,084
<b>Total governmental activities</b>	<b>\$1,611,138</b>	<b>\$ 213,352</b>	<b>\$1,824,490</b>
<b>Business-type activities:</b>			
Landfill enterprise	\$ 98,649	\$ -	\$ 98,649
Utilities	4,965	-	4,965
	<b>\$ 103,614</b>	<b>\$ -</b>	<b>\$ 103,614</b>

## NOTE 10. LONG-TERM LIABILITIES

### A. Governmental Activities

#### Revenue Bonds

- A. On December 31, 2008, the County closed on the Capital Improvement Revenue Bond Series 2008A in the amount of \$4,800,000 with Ameris Bank. The purpose of this issuance was to provide funds for capital improvements to fire equipment and infrastructure. The bonds were being repaid over a period of twenty years with a fixed interest rate of 3%. The debt was secured by and paid from the County's Half Cent Sales Tax revenues pursuant to County Ordinance No. 2008R-13. During the year the County refunded this bond issue.
- B. On December 31, 2008, the County closed on the Capital Improvement Revenue Bond Series 2008B in the amount of \$4,000,000 with Columbia Bank. The purpose of this issuance was to provide funds for capital improvements for economic development projects. The bonds are being repaid over a period of ten years with an interest rate of 3.0%. The debt is secured by and paid from the County's Half Cent Sales Tax revenues pursuant to County Ordinance No. 2008R-43. The following is a schedule of future principal and interest to be paid on the note:

Year Ending September 30	Principal	Interest	Total
2017	\$ 465,204	\$ 24,594	\$ 489,798
2018	479,517	10,281	489,798
2019	36,718	928	37,646
Total	<u>\$ 981,439</u>	<u>\$ 35,803</u>	<u>\$ 1,017,242</u>

- C. On June 28, 2013, the County authorized the issuance of the Columbia County Florida Gas Tax Revenue Bond Series 3 totaling \$4,470,000 in order to finance the cost of certain transportation related capital improvements within the County. The first two cents of the County's local option gas tax imposed pursuant to Section 336.025, Florida Statutes, was pledged to secure payment of the principal and interest on the bonds. The bonds were to be repaid over a period of seven years with an interest rate of 1.33% using the pledged revenues. The County refunded this bond issue during the year.
- D. On July 12, 2016 the County closed on a Gas Tax Revenue Refunding Note, Series 2016, totaling \$6,000,000 with Hancock Bank. The purpose of this issuance was to refund debt and to finance certain additional transportation improvements. The first two cents of the County's local option gas tax imposed pursuant to Section 336.025, Florida Statutes, was pledged to secure payment of the principal and interest. The note will be repaid over ten years with an interest rate of 1.50%. The following is a schedule of future principal and interest to be paid on the note:

Year Ending September 30	Principal	Interest	Total
2017	\$ 421,000	\$ 64,328	\$ 485,328
2018	568,000	78,371	646,371
2019	577,000	69,803	646,803
2020	586,000	61,091	647,091
2021	595,000	52,256	647,256
2022	604,000	43,279	647,279
2023	612,000	34,174	646,174
2024	622,000	24,934	646,934
2025	632,000	10,778	642,778
2026	641,000	6,023	647,023
Total	<u>\$ 5,858,000</u>	<u>\$ 445,037</u>	<u>\$ 6,303,037</u>

- E. On June 8, 2016 the County closed on a Capital Improvement Revenue Refunding Note, Series 2016, totaling \$3,515,370 with First Federal Bank. The purpose of this issuance was to refund the County's Revenue Bond Series 2008A. The note will be repaid over ten years with an interest rate of 1.749%. The following is a schedule of future principal and interest to be paid on the note:

Year Ending September 30	Principal	Interest	Total
2017	\$ 286,673	\$ 53,752	\$ 340,425
2018	291,720	48,775	340,495
2019	296,856	43,709	340,565
2020	301,972	38,556	340,528
2021	307,398	33,311	340,709
2022	312,810	27,974	340,784
2023	318,317	22,542	340,859
2024	323,871	17,015	340,886
2025	329,623	11,391	341,014
2026	335,426	5,668	341,094
2027	118,461	729	119,190
Total	<u>\$ 3,223,127</u>	<u>\$ 303,422</u>	<u>\$ 3,526,549</u>

### Capital Leases

The County has the following installment payment agreements for equipment purchases:

- A. Purchase of three motor graders costing \$598,338. The terms of the agreement call for five annual payments \$51,137, beginning on July 23, 2012 with a concluding payment of \$414,000 on July 23, 2017. These payments include interest at 3.00%.
- B. Purchase of four motor graders costing \$797,184. The terms of the agreement call for five annual payments \$68,055, beginning on May 3, 2013 with a concluding payment of \$552,000, on May 3, 2018. These payments include interest at 3.00%.
- C. Purchase of four motor graders costing \$838,156. The terms of the agreement call for five

annual payments of \$87,340, beginning May 14, 2014 with a concluding payment of \$500,000, on May 14, 2019. These payments include interest of 3.18%.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 2016:

Year Ending September 30	
2017	\$ 615,104
2018	689,278
2019	554,300
Less amount representing interest	(248,488)
Total	<u>\$ 1,610,194</u>

## B. Business-type Activities

### Loan Payable

**FDEP** - On July 14, 2004, the County entered into a loan agreement , number WW 74202P, with the State of Florida Department of Environmental Protection (FDEP) for State Revolving Fund financial assistance for a wastewater treatment system at the I-75 exit 80 area (Ellisville). The terms of this agreement call for a total loan amount of \$755,809 and was \$536,867 when fully disbursed. The loan is payable in one initial payment of \$24,345 and thirty-nine subsequent semi-annual payments of \$17,906 including interest at 1.035%, beginning July 15, 2011. At September 30, 2016, the loan balance was \$446,623.

Also, in conjunction with the project, the County entered into an additional loan with the FDEP (loan number DW 120101 in the amount of \$906,797. This loan is payable in forty semi-annual payments of \$43,070 including interest at 2.65%, beginning on January 15, 2011. At September 30, 2016, the balance of the loan was \$576,888.

In the 2011 fiscal year, the County received an additional loan from FDEP (loan number DW 120400) in the amount of \$1,360,903, of which \$1,156,768 in principal was forgiven. This loan is payable in forty semi-annual payments of \$6,784 including interest at 2.71%, beginning August 15, 2011. At September 30, 2016, the balance of the loan was \$161,332.

All of these loans are subject to future amendments as to principal amounts, and semi-annual payment amounts and payment inception dates. The following is a schedule of loan payments required under the agreements. Payments are made from associated fund revenue.

Year Ending September 30,	DEP DW120400	DEP WW74202	DEP DW12101	Interest	Total
2017	\$ 9,192	\$ 26,705	\$ 71,112	\$ 27,818	\$ 134,827
2018	9,445	27,261	73,022	25,081	134,809
2019	9,704	27,828	74,982	22,969	135,483
2020	9,970	28,407	76,996	20,109	135,482
2021	10,244	28,998	79,064	13,695	132,001
Thereafter	112,777	307,424	201,712	58,353	680,266
Total	<u>\$ 161,332</u>	<u>\$ 446,623</u>	<u>\$ 576,888</u>	<u>\$ 168,025</u>	<u>\$ 1,352,868</u>

## D. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2016, was as follows:

	Prior Year Balance	Additions	Deletions	Current Year Ending Balance	Due Within One Year	Accrued Interest Payable
<b>Governmental activities:</b>						
<b>Revenue bonds:</b>						
Columbia Bank - Series 2008B	\$ 1,432,953	\$ -	\$ (451,514)	\$ 981,439	\$ 465,204	\$ 807
Ameris/Prosperity Bank - Series 2008A-1	3,454,876	-	(3,454,876)	-	-	-
Bascom Norris - Gas Tax 2013	3,131,777	-	(3,131,777)	-	-	-
Hancock Bank Gas Tax Revenue Series 2016	-	6,000,000	(142,000)	5,858,000	421,000	-
First Federal Bank Capital Improvement Series 2016	-	3,315,370	(92,243)	3,223,127	286,673	-
	<u>8,019,606</u>	<u>9,315,370</u>	<u>(7,272,409)</u>	<u>10,062,567</u>	<u>1,172,877</u>	<u>807</u>
<b>Capital Leases Payable:</b>						
Ring Investments M9C00251	146,627	-	(12,647)	133,981	133,981	760
Ring Investments M9C00252	146,627	-	(12,647)	133,981	133,981	760
Ring Investments M9C00254	146,627	-	(12,647)	133,981	133,981	760
Ring Investments M9C00285	158,845	-	(12,249)	146,597	12,616	1,771
Ring Investments M9C00286	158,845	-	(12,249)	146,597	12,616	1,771
Ring Investments M9C00316	158,845	-	(12,249)	146,597	12,616	1,771
Ring Investments M9C00323	158,845	-	(12,249)	146,597	12,616	1,771
Ring Investments M9C00418	171,837	-	(16,371)	155,467	16,891	1,842
Ring Investments M9C00417	171,837	-	(16,371)	155,467	16,891	1,842
Ring Investments M9C00419	171,837	-	(16,371)	155,467	16,891	1,842
Ring Investments M9C00428	171,837	-	(16,371)	155,467	16,891	1,842
	<u>1,762,611</u>	<u>-</u>	<u>(152,417)</u>	<u>1,610,194</u>	<u>519,971</u>	<u>16,733</u>
<b>Other Liabilities:</b>						
Compensated Absences	2,166,812	32,652	-	2,199,464	329,920	-
Net pension liability	19,277,420	19,416,035	(5,209,155)	33,484,300	3,006,488	-
	<u>\$ 31,226,449</u>	<u>\$ 28,764,057</u>	<u>\$ (12,633,981)</u>	<u>\$ 47,356,525</u>	<u>\$ 5,029,256</u>	<u>\$ 17,540</u>
<b>BUSINESS ACTIVITIES</b>						
<b>Loan agreements payable:</b>						
Department of Environmental Regulation	1,289,447	-	(104,604)	1,184,843	107,009	6,260
<b>Other Liabilities</b>						
Compensated Absences	30,664	43,606	(39,241)	35,029	30,000	-
Estimated liability for landfill closure	9,578,330	206,837	-	9,785,167	204,520	-
Net pension liability	228,216	228,257	(58,614)	397,859	35,378	-
	<u>\$ 11,126,657</u>	<u>\$ 478,700</u>	<u>\$ (202,459)</u>	<u>\$ 11,402,898</u>	<u>\$ 375,593</u>	<u>\$ 6,260</u>

## NOTE 11. LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure.

Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

\$9,785,167 is reported as landfill closure and postclosure care liability at September 30, 2016, represents the cumulative amount reported to date based on the use of 10.8 years of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and annual postclosure care in 2016. The County expects to close this landfill cell in the year 2018. Actual cost may be higher because of inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to an escrow account to finance closure. The County is in compliance with these requirements, and at September 30, 2016, restricted cash and investments of \$7,385,728 are held for its purpose. The County expects future inflation costs to be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (because of changes in technology or applicable laws and regulations, for example), these costs may need to be covered by charges to future landfill users or from other future revenues of the County.

## **NOTE 12. OPERATING LEASES**

The County leases office space and equipment under various long-term operating lease commitments with noncancellable terms. Scheduled minimum rental payments for succeeding fiscal years ending September 30, are as follows:

Year Ending September 30	
2017	\$ 347,446
2018	190,625
2019	67,038
2020	21,396
	<u>\$ 626,505</u>

Lease expense for the fiscal year ended September 30, 2016 was \$447,368.

## **NOTE 13. RETIREMENT PLANS**

### **Florida Retirement System:**

**General Information** - All of the County's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

[www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

### **Pension Plan**

**Plan Description** - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

**Benefits Provided** - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011,



Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants

**Contributions** – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016, respectively, were as follows: Regular—7.26% and 7.52%; Special Risk Administrative Support—32.95% and 28.06%; Special Risk—22.04% and 22.57%; Senior Management Service—21.43% and 21.77%; Elected Officers'—42.27% and 42.47%; and DROP participants—12.88% and 12.99%. These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016, respectively.

The County's contributions to the Pension Plan totaled \$3,081,793 for the fiscal year ended September 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – At September 30, 2016, the County reported a liability of \$26,020,964 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of July 1, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportionate share of the net pension liability was based on the County's 2015-16 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2016, the County's proportionate share was .10305 percent, which was an increase (decrease) of .0509 percent from its proportionate share measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$1,644,129. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b><u>Description</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ 1,992,365	\$ 242,273
Changes in assumptions	1,574,190	-
Net difference between projected and actual earnings on Pension Plan investments	11,970,606	5,244,504
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	2,195,878	851,850
County Pension Plan contributions subsequent to the measurement date	<u>727,107</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 18,460,146</u></b>	<b><u>\$ 6,338,627</u></b>

The deferred outflows of resources related to the Pension Plan, totaling \$727,107 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

<b><u>Fiscal Year Ending September 30</u></b>	<b><u>Amount</u></b>
2017	\$ 1,569,524
2018	1,569,524
2019	4,542,447
2020	3,108,815
2021	457,266
Thereafter	<u>146,836</u>
	<b><u>\$ 11,394,412</u></b>

**Actuarial Assumptions** – The total pension liability in the July 1, 2016 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	7.60%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

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

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.00%	3.00%	1.70%
Fixed income	18.00%	4.70%	4.60%	4.60%
Global equity	53.00%	8.10%	6.80%	17.20%
Real estate (property)	10.00%	6.40%	5.80%	12.00%
Private equity	6.00%	11.50%	7.80%	30.00%
Strategic investments	12.00%	6.10%	5.60%	11.10%
Total	100.00%			
Assumed Inflation - mean			2.60%	1.90%

(1) As outlined in the Pension Plan's investment policy

**Discount Rate** - The discount rate used to measure the total pension liability was 7.60%. The Pension Plan's 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 calculation the total pension liability is equal to the long-term expected rate of return.

**Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate** - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.60%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60%) or one percentage point higher (8.60%) than the current rate:

	1% Decrease (6.6%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
County's proportionate share of the net pension liability	\$ 47,906,357	\$ 26,020,964	\$ 7,804,265

**Pension Plan Fiduciary Net Position** - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

**Payables to the Pension Plan** - At September 30, 2016, the County reported a payable in the amount of \$210,822 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2016.

### **HIS Plan**

**Plan Description** - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

**Benefits Provided** - For the fiscal year ended September 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**Contributions** - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2016, the HIS contribution for the period October 1, 2014 through June 30, 2016 and from July 1, 2016 through September 30, 2016 was 1.66% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$345,742 for the fiscal year ended September 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At September 30, 2016, the County reported a liability of \$7,861,195 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportionate share of the net pension liability was based on the County's 2015-16 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2016, the County's proportionate share was .06745 percent, which was an increase of .00025 percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$205,232. In addition the County reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 17,905
Changes in assumptions	1,233,621	
Net difference between projected and actual earnings on HIS Plan investments	3,975	
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	269,620	113,536
County HIS Plan contributions subsequent to the measurement date	217,764	
Total	<u>\$ 1,724,980</u>	<u>\$ 131,441</u>

The deferred outflows of resources related to the HIS Plan, totaling \$217,764 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

<b>Fiscal Year Ending September 30</b>	<b>Amount</b>
2017	\$ 246,355
2018	246,355
2019	246,355
2020	245,091
2021	212,041
Thereafter	180,434
	<u>\$ 1,375,775</u>

**Actuarial Assumptions** – The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.85 %

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

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

**Discount Rate** - The discount rate used to measure the total pension liability was 2.85%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

**Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate** - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 2.85%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.85%) or one percentage point higher (3.85%) than the current rate:

	<b>1% Decrease (1.85%)</b>	<b>Current Discount Rate (2.85%)</b>	<b>1% Increase (3.85%)</b>
<b>County's proportionate share of the net pension liability</b>	<b>\$ 9,018,576</b>	<b>\$ 7,861,195</b>	<b>\$ 6,900,631</b>

**Pension Plan Fiduciary Net Position** - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

**Payables to the Pension Plan** - At September 30, 2016, the County reported a payable in the amount of \$21,082 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2016.

#### **Investment Plan**

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded

with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2015-16 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 3.30%, Special Risk Administrative Support class 4.95%, Special Risk class 11.00%, Senior Management Service class 4.67% and County Elected Officers class 8.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County's had no pension expense for the Investment Plan for the fiscal year ended September 30, 2016.

#### **NOTE 14. FUND BALANCES GOVERNMENTAL FUNDS**

As of September 30, 2016, fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BCC). The BCC is the highest level of decision making authority for the County. Commitments may be established, modified, or rescinded only through resolutions approved by the BCC.

**Assigned** – amounts that do not meet the criteria to be classified as restricted or committed, but

that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Board of County Commissioners.

**Unassigned** - all other spendable amounts.

**Fund balances designations are as follows:**

	Committed	Assigned	Restricted	Nonspendable	Unassigned
<b>General Fund:</b>					
Judges fund reserve	\$ -	\$ 49,106	\$ -	\$ -	\$ -
SRWMD mitigation reserve	944,429	-	-	-	-
Southside Recreation Center	-	724,556	-	-	-
Utilities fund advance	-	-	-	971,030	-
Debt covenant	-	-	1,000,000	-	-
Vessel registration fees	-	-	19,238	-	-
Donations	-	-	24,270	-	-
Other	-	-	-	1,960	-
Undesignated	-	-	-	-	11,493,580
	<u>\$ 944,429</u>	<u>\$ 773,662</u>	<u>\$ 1,043,508</u>	<u>\$ 972,990</u>	<u>\$11,493,580</u>
<b>Other governmental funds:</b>					
<b>Board of County Commissioners</b>					
Capital Projects - County Facilities	\$ -	\$ 6,070,659	\$ -	\$ -	\$ -
Community Development Block Grant	-	-	-	-	-
Connector Road Project	-	404,052	-	-	-
County Transportation Trust	-	-	4,429,567	85,233	-
Court Reporters	34,976	-	-	-	-
Court Services	-	-	882,538	-	-
Economic Development	-	453,006	-	59,348	-
Impact Fees	-	-	295,775	-	-
Law Enforcement Special	-	-	53,961	-	-
Library Enhancement Grant	-	-	138,039	-	-
Municipal Services Benefit Unit	-	-	4,088,181	-	-
Neighborhood Stabilization	-	-	-	-	-
Paving Assessments	-	-	145,190	-	-
Road Improvement	-	9,208,420	516,797	-	-
Road Improvement Debt Service	-	-	-	-	-
Sheriff Special Revenue	-	-	2,788,979	-	-
SHIP	-	-	13,515	-	-
Tourist Development Tax	-	-	1,506,901	250	-
<b>Clerk of Courts</b>					
Public Records Modernization Trust	-	-	148,591	-	-
Reserved 10%	-	-	194,130	-	-
Teen Court	-	-	2,574	-	-
<b>Sheriff</b>					
Work Program	-	-	4,157	-	-
Forfeiture Fund	-	-	27,154	-	-
Forfeiture Nongrant	-	-	266,877	-	-
Inmate Welfare	-	-	369,910	4,668	-
Minimum Standards School	-	-	27,962	-	-
Total other governmental funds	<u>34,976</u>	<u>16,136,137</u>	<u>15,900,798</u>	<u>149,499</u>	<u>-</u>
<b>Total</b>	<u>\$ 979,405</u>	<u>\$ 16,909,799</u>	<u>\$ 16,944,306</u>	<u>\$ 1,122,489</u>	<u>\$11,493,580</u>

## Fund Balance Policy

The County has adopted a fund balance policy to maintain targeted levels of fund balance for all governmental funds. For the General Fund, the County's policy is to maintain a minimum level of unrestricted fund balance (the sum of the assigned and unassigned components of fund balance). The target level is no less than 25% and no more than 30% of General Fund annual expenditures.

For special revenue funds, there are typically no requirements for a specific reservation of fund balance but the County uses several special revenue funds as special operating funds for specific programs such as the Transportation Trust Fund and Municipal Services Fund. For these special revenue operating funds, the County has established a minimum level of fund balance. Such funds should maintain no less than 20% and no more than 30% of the fund specific annual expenditures.



In addition to minimum fund balance levels for the General Fund and major special revenue operating funds, the County also established a minimum level of fund balance for all other funds (including enterprise funds) similar to the above requirements.

### **Replenishment of Fund Balance Deficits**

Each year during the budget process, fund balance levels are reviewed and compared to the targeted levels established in the fund balance policy. In the event fund balance levels fall below the targeted levels or, have not been met, a designated amount shall be set aside each year to fund balance so that the targeted amounts will be restored.

### **Utilization of Fund Balance**

The County may approve, in its annual budgeting process, the use of fund balance either for specifically identified needs or as a designated reserve. The Board must always approve the use of designated reserves. In the event that targeted fund balance levels are met, the Board may approve the use of any excess for any lawful purpose. The Board may also establish additional reserves or designations of fund balance as may be needed such as a Disaster Contingency Reserve.

## **NOTE 15. CONTINGENT LIABILITIES**

**Grants** – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state and federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. At September 30, 2016 the Department of Homeland Security, Office of the Inspector General, questioned costs of \$1,771,894 related to the FEMA Tropical Storm Debby grant of June 2012. The County is contesting this finding and the final determination by FEMA regarding any refunding of these costs is not known.

**Litigation** – The County is defendant in various pending or threatened litigation. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

## **NOTE 16. RISK MANAGEMENT**

The County participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the County's entity risk pool pays annual premiums to the pools for its insurance coverages. The agreements for formation of the pools provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specific amounts.

The County continues to carry commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The pooling agreements allow for the pools to make additional assessments to make the pools self-sustaining. It is not possible to estimate the amount of such additional assessments, which might have to be paid by the County.

The pooling agreements require the pool to be self-sustaining. It is not possible to estimate the amount of losses, which might have to be borne by the County.

**NOTE 17. CONSTRUCTION COMMITMENTS**

During the year, the County had in progress several construction projects including road improvements and facilities renovations. At year end, the significant portion of these related construction commitments were completed and existing funds had been earmarked for any incomplete projects.

**NOTE 18. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

The County is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the County or the retiree. Participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retirees are receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the county younger and statistically healthier active employees. GASB Statement 45 requires governments to report this cost and related liability in its financial statements.

Due to the fact that only a few retirees participated in the plan during the year, management determined that its OPEB obligation at year end would be of a de minimis amount. Management will monitor this situation in the future and take appropriate steps to properly comply with this GASB Statement.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**COLUMBIA COUNTY, FLORIDA  
BOARD OF COUNTY COMMISSIONERS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 22,950,379	\$ 22,950,379	\$ 23,448,582	\$ 498,203
Licenses, permits , special assessments	30,000	30,000	19,238	(10,762)
Intergovernmental	4,745,584	6,069,228	6,409,033	339,805
Charges for services	2,083,952	2,083,952	2,079,148	(4,804)
Fines and forfeitures	149,000	149,000	106,242	(42,758)
Interest	73,000	73,000	71,114	(1,886)
Miscellaneous	76,000	82,975	386,009	303,034
<b>Total revenues</b>	<b>30,107,915</b>	<b>31,438,534</b>	<b>32,519,366</b>	<b>1,080,832</b>
<b>EXPENDITURES</b>				
Current operating:				
General government	4,771,830	4,747,337	4,529,567	217,770
Public safety	3,051,037	3,853,794	3,076,574	777,220
Physical environment	1,254,289	1,234,289	1,182,912	51,377
Economic environment	169,603	169,603	167,694	1,909
Human services	2,475,961	2,569,159	2,544,961	24,198
Culture/recreation	1,160,959	2,029,654	1,298,378	731,276
Capital outlay:				
General government	170,000	332,946	217,896	115,050
Public safety	11,000	584,746	115,753	468,993
Physical environment	-	92,897	63,532	29,365
Human services	-	-	25,000	(25,000)
Culture/recreation	1,000	898,088	60,557	837,531
<b>Total expenditures</b>	<b>13,065,679</b>	<b>16,512,513</b>	<b>13,282,824</b>	<b>3,229,689</b>
<b>Excess of revenues over expenditures</b>	<b>17,042,236</b>	<b>14,926,021</b>	<b>19,236,542</b>	<b>4,310,521</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	(300,000)	(300,000)	788,581	1,088,581
Transfers out	(17,228,486)	(18,312,739)	(18,310,522)	2,217
<b>Total other financing sources (uses)</b>	<b>(17,528,486)</b>	<b>(18,612,739)</b>	<b>(17,521,941)</b>	<b>1,090,798</b>
<b>Net change in fund balance</b>	<b>(486,250)</b>	<b>(3,686,718)</b>	<b>1,714,601</b>	<b>5,401,319</b>
<b>Fund balance, beginning of year</b>	<b>13,513,568</b>	<b>13,513,568</b>	<b>13,513,568</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 13,027,318</b>	<b>\$ 9,826,850</b>	<b>\$ 15,228,169</b>	<b>\$ 5,401,319</b>

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA**

**COUNTY TRANSPORTATION TRUST FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 4,090,000	\$ 4,090,000	\$ 4,218,074	\$ 128,074
Intergovernmental	4,558,000	4,558,000	4,697,535	139,535
Charges for services	7,000	7,000	5,524	(1,476)
Interest	17,000	17,000	27,870	10,870
Miscellaneous	111,000	111,000	195,487	84,487
<b>Total revenues</b>	<b>8,783,000</b>	<b>8,783,000</b>	<b>9,144,490</b>	<b>361,490</b>
<b>EXPENDITURES</b>				
Current operating:				
Physical environment	-	18,140	7,467	10,673
Transportation	7,604,084	7,968,950	7,083,484	885,466
Capital outlay:				
Transportation	527,000	747,496	551,489	196,007
Debt service:				
Principal	154,500	154,500	152,417	2,083
Interest	52,036	52,036	54,119	(2,083)
<b>Total expenditures</b>	<b>8,337,620</b>	<b>8,941,122</b>	<b>7,848,976</b>	<b>1,092,146</b>
<b>Excess of revenues over     expenditures</b>	<b>445,380</b>	<b>(158,122)</b>	<b>1,295,514</b>	<b>1,453,636</b>
<b>Other Financing Sources</b>				
Sale of surplus equipment	-	-	16,500	16,500
Transfers out	(1,000,000)	(2,700,000)	(2,700,000)	-
<b>Total other financing sources</b>	<b>(1,000,000)</b>	<b>(2,700,000)</b>	<b>(2,683,500)</b>	<b>16,500</b>
<b>Net change in fund balance</b>	<b>(554,620)</b>	<b>(2,858,122)</b>	<b>(1,387,986)</b>	<b>1,470,136</b>
<b>Fund balance, beginning of year</b>	<b>5,902,786</b>	<b>5,902,786</b>	<b>5,902,786</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 5,348,166</b>	<b>\$ 3,044,664</b>	<b>\$ 4,514,800</b>	<b>\$ 1,470,136</b>

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA**

**MUNICIPAL SERVICES FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**BUDGET AND ACTUAL**

**For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 550,000	\$ 550,000	\$ 505,156	\$ (44,844)
Licenses, permits and assessments	9,371,100	9,371,100	9,500,891	129,791
Intergovernmental	245,250	289,511	272,183	(17,328)
Charges for services	12,400	12,400	15,895	3,495
Interest	33,000	33,000	25,963	(7,037)
Miscellaneous	33,500	33,500	33,026	(474)
<b>Total revenues</b>	<b>10,245,250</b>	<b>10,289,511</b>	<b>10,353,114</b>	<b>63,603</b>
<b>EXPENDITURES</b>				
Current operating:				
General government	357,754	375,254	347,584	27,670
Public safety	5,304,955	5,599,421	5,558,788	40,633
Physical environment	3,537,594	3,537,594	3,531,636	5,958
Economic environment	9,850	12,850	11,531	1,319
Capital outlay:				
Public safety	180,000	128,590	29,452	99,138
Debt service:				
Principal	259,931	3,575,301	3,547,118	28,183
Interest	100,695	100,695	89,347	11,348
<b>Total expenditures</b>	<b>9,750,779</b>	<b>13,329,705</b>	<b>13,115,456</b>	<b>214,249</b>
<b>Excess of revenues over expenditure:</b>	<b>494,471</b>	<b>(3,040,194)</b>	<b>(2,762,342)</b>	<b>277,852</b>
<b>Other Financing Sources (Uses)</b>				
Loan proceeds	-	3,315,370	3,315,370	-
Transfers out	(2,000,000)	(2,000,000)	(2,000,000)	-
<b>Total other financing sources (uses)</b>	<b>(2,000,000)</b>	<b>1,315,370</b>	<b>1,315,370</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(1,505,529)</b>	<b>(1,724,824)</b>	<b>(1,446,972)</b>	<b>277,852</b>
<b>Fund balance, beginning of year</b>	<b>5,535,153</b>	<b>5,535,153</b>	<b>5,535,153</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 4,029,624</b>	<b>\$ 3,810,329</b>	<b>\$ 4,088,181</b>	<b>\$ 277,852</b>

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA**

**CLERK OF CIRCUIT COURT OPERATING FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>		<b>Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 107,442	\$ 107,442	\$ 118,337	\$ 10,895
Charges for services	1,673,038	1,673,038	1,137,479	(535,559)
Fines and forfeitures	-	-	497,067	497,067
<b>Total revenues</b>	<b>1,780,480</b>	<b>1,780,480</b>	<b>1,752,883</b>	<b>(27,597)</b>
<b>EXPENDITURES</b>				
<b>Current operating:</b>				
General government	876,451	876,451	683,496	192,955
Court-related	1,091,580	1,091,580	1,398,094	(306,514)
<b>Total expenditures</b>	<b>1,968,031</b>	<b>1,968,031</b>	<b>2,081,590</b>	<b>(113,559)</b>
<b>Excess of revenues over expenditures</b>	<b>(187,551)</b>	<b>(187,551)</b>	<b>(328,707)</b>	<b>(141,156)</b>
<b>Other financing sources</b>				
Interfund transfers in	187,551	187,551	328,707	141,156
<b>Total other financing sources</b>	<b>187,551</b>	<b>187,551</b>	<b>328,707</b>	<b>141,156</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA**

**SHERIFF OPERATING FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 69,328	\$ 69,328
Charges for services	-	-	227,107	227,107
Miscellaneous	-	-	163,493	163,493
<b>Total revenues</b>	-	-	459,928	459,928
<b>EXPENDITURES</b>				
Current operating:				
Public safety	13,059,043	13,147,201	12,830,333	316,868
Capital outlay:				
Public safety	265,000	225,250	208,478	16,772
<b>Total expenditures</b>	13,324,043	13,372,451	13,038,811	333,640
<b>Excess of revenues over     expenditures</b>	(13,324,043)	(13,372,451)	(12,578,883)	793,568
<b>Other Financing Sources</b>				
Transfers in	13,324,043	13,372,451	12,578,883	(793,568)
<b>Total other financing sources</b>	13,324,043	13,372,451	12,578,883	(793,568)
<b>Net change in fund balance</b>	-	-	-	-
<b>Fund balance, beginning of year</b>	-	-	-	-
<b>Fund balance, end of year</b>	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.



**COLUMBIA COUNTY FLORIDA**

**ECONOMIC DEVELOPMENT FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**BUDGET AND ACTUAL**

**For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 1,070,000	\$ 1,070,000	\$ 1,070,000	\$ -
Interest	2,000	2,000	9,363	7,363
Miscellaneous	-	-	13,765	13,765
<b>Total revenues</b>	<u>1,072,000</u>	<u>1,072,000</u>	<u>1,093,128</u>	<u>21,128</u>
 <b>EXPENDITURES</b>				
Current operating				
Economic environment	316,517	361,517	350,063	11,454
Debt service:				
Principal	451,211	451,211	451,514	(303)
Interest	38,587	38,587	38,284	303
<b>Total expenditures</b>	<u>806,315</u>	<u>851,315</u>	<u>839,861</u>	<u>11,454</u>
<b>Excess of revenues over expenditures</b>	<u>265,685</u>	<u>220,685</u>	<u>253,267</u>	<u>32,582</u>
 <b>Other Financing (Uses)</b>				
Transfers out	(1,015,000)	(1,315,000)	(1,315,000)	-
<b>Total other financing (uses)</b>	<u>(1,015,000)</u>	<u>(1,315,000)</u>	<u>(1,315,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(749,315)</u>	<u>(1,094,315)</u>	<u>(1,061,733)</u>	<u>32,582</u>
 <b>Fund balance, beginning of year</b>	<u>1,574,087</u>	<u>1,574,087</u>	<u>1,574,087</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 824,772</u>	<u>\$ 479,772</u>	<u>\$ 512,354</u>	<u>\$ 32,582</u>

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA**

**COUNTY FACILITIES FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 3,000,000	\$ -	\$ (3,000,000)
Charges for services	-	24,250	27,325	\$ 3,075
<b>Total revenues</b>	-	3,024,250	27,325	(2,996,925)
<b>EXPENDITURES</b>				
Current expenditures:				
General government	372,300	410,300	122,121	288,179
Public safety	12,000	12,000	10,679	1,321
Physical environment	55,000	20,196	7,907	12,289
Transportation	-	187	350	(163)
Human services	-	70,000	70,000	-
Culture/recreation	280,250	375,246	90,343	284,903
Capital outlay:				
Public safety	3,889,650	6,889,650	282,312	6,607,338
Physical environment	270,000	118,804	52,794	66,010
Transportation	47,000	46,813	39,141	7,672
Culture/recreation	-	180,317	35,668	144,649
<b>Total expenditures</b>	4,926,200	8,123,513	711,315	7,412,198
<b>Excess of revenues over expenditures</b>	(4,926,200)	(5,099,263)	(683,990)	4,415,273
<b>Other financing sources (uses)</b>				
Interfund transfers in	5,500,000	7,384,746	7,384,746	-
Interfund transfers out	-	(636,800)	(636,800)	-
<b>Total other financing sources (uses)</b>	5,500,000	6,747,946	6,747,946	-
<b>Net change in fund balance</b>	573,800	1,648,683	6,063,956	4,415,273
<b>Fund balance, beginning of year</b>	6,703	6,703	6,703	-
<b>Fund balance, end of year</b>	\$ 580,503	\$ 1,655,386	\$ 6,070,659	\$ 4,415,273

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA**

**ROAD IMPROVEMENT FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**BUDGET AND ACTUAL**

**For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 9,899,012	\$ 10,024,012	\$ 4,379,217	\$ (5,644,795)
Interest	-	-	22,424	22,424
<b>Total revenues</b>	<u>9,899,012</u>	<u>10,024,012</u>	<u>4,401,641</u>	<u>(5,622,371)</u>
<b>EXPENDITURES</b>				
Current operating:				
Transportation	-	225,000	2,044,334	(1,819,334)
Capital outlay:				
Transportation	18,882,021	20,230,145	3,593,431	16,636,714
<b>Total expenditures</b>	<u>18,882,021</u>	<u>20,455,145</u>	<u>5,637,765</u>	<u>14,817,380</u>
<b>Excess of revenues over     expenditures</b>	<u>(8,983,009)</u>	<u>(10,431,133)</u>	<u>(1,236,124)</u>	<u>9,195,009</u>
<b>Other Financing Sources</b>				
Transfers in	-	563,000	4,063,663	3,500,663
<b>Total other financing sources</b>	<u>-</u>	<u>563,000</u>	<u>4,063,663</u>	<u>3,500,663</u>
<b>Net change in fund balance</b>	<u>(8,983,009)</u>	<u>(9,868,133)</u>	<u>2,827,539</u>	<u>12,695,672</u>
<b>Fund balance, beginning of year</b>	<u>6,380,881</u>	<u>6,380,881</u>	<u>6,380,881</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ (2,602,128)</u>	<u>\$ (3,487,252)</u>	<u>\$ 9,208,420</u>	<u>\$ 12,695,672</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM  
LAST THREE FISCAL YEARS**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>County's proportion of the net pension liability</b>			
Retirement	0.1031%	0.0980%	0.0918%
Health insurance subsidy	0.0675%	0.0672%	0.0675%
 <b>County's proportionate share of the net pension liability</b>			
Retirement	\$ 26,020,964	\$ 12,652,261	\$ 6,073,497
Health insurance subsidy	7,861,195	6,853,010	5,603,796
<b>Total</b>	<u><u>\$ 33,882,159</u></u>	<u><u>\$ 19,505,271</u></u>	<u><u>\$ 11,677,293</u></u>
 <b>County's covered payroll</b>	 \$ 21,502,670	 \$ 21,254,324	 \$ 20,866,802
 <b>County's proportionate share of the net pension liability as a percentage of its covered employee payroll</b>	 157.57%	 91.77%	 55.96%
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	 84.88%	 92.00%	 96.09%

GASB 68 requires information for 10 years. Until a full 10 year trend has been compiled, only those years for which information is available has been presented.

**COLUMBIA COUNTY, FLORIDA**  
**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS**  
**FLORIDA RETIREMENT SYSTEM**  
**LAST THREE FISCAL YEARS**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Contractually required contributions</b>			
Pension plan	\$ 3,081,793	\$ 2,603,392	\$ 2,366,976
Health insurance subsidy	345,742	340,622	301,780
	<u>\$ 3,427,535</u>	<u>\$ 2,944,014</u>	<u>\$ 2,668,756</u>
<b>Contributions in relation to the contractually required contributions</b>	\$ 3,427,535	\$ 2,944,014	\$ 2,608,294
<b>Contribution deficiency</b>	\$ -	\$ -	\$ -
<b>County's covered employee payroll</b>	\$ 21,502,670	\$ 21,254,324	\$ 20,866,802
<b>Contributions as a percentage of covered employee payroll</b>	15.94%	13.85%	12.50%

GASB 68 requires information for 10 years. Until a full 10 year trend has been compiled, only those years for which information is available has been presented.

**COLUMBIA COUNTY, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended September 30, 2016**

**NOTE 1. BUDGETARY INFORMATION**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental and enterprise funds. All annual appropriations lapse at fiscal year end.

The County generally follows these procedures in establishing the budgetary data for the governmental and enterprise funds as reflected in the financial statements:

1. Prior to September 30, the County Manager, serving as Budget Officer, submits to the Board of County Commissioners (BOCC) a tentative budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the BOCC to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the BOCC.
4. The Constitutional Officers submit, at various times prior to September 30, to the BOCC and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and Property Appraiser, which are classified as separate special revenue funds.
6. The BOCC is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund, or appropriate for special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental and enterprise funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2016 are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis.
9. Enterprise fund budgets are adopted on the accrual basis except that depreciation is not budgeted.
10. Legal control of the budget is exercised pursuant to applicable provisions of the *Florida Statutes*.
11. Appropriations for the County lapse at the close of the fiscal year.

12. The following major funds showed an excess of expenditures over appropriations:

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive (Negative)</u>
Clerk of Circuit Court Operating	<u>\$ 1,968,031</u>	<u>\$ 2,081,593</u>	<u>\$ (113,562)</u>

The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2016.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive (Negative)</u>
Enterprise funds			
Landfill enterprise	\$ 4,693,415	\$ 4,433,566	\$ 259,849
Utilities	1,022,139	312,734	709,405
	<u>\$ 5,715,554</u>	<u>\$ 4,746,300</u>	<u>\$ 969,254</u>

## NOTE 2. PENSION PLAN

### Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2016, are shown below (in thousands):

	<u>FRS</u>	<u>HIS</u>
Total Pension Liability	\$ 167,030,999	\$ 11,768,444
Plan Fiduciary Net Position	141,780,921	113,859
Net Pension Liability	<u>\$ 25,250,078</u>	<u>\$ 11,654,585</u>

Plan Fiduciary Net Position as a Percentage  
of the Total Pension Liability

84.88%

0.97%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2016. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS actuarial valuation was prepared as of July 1, 2016. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

## **Basis for Allocation**

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2014, 2015 and 2016, respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal year 2016, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

## **Actuarial Methods and Assumptions**

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008 through June 30, 2013. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.60%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 7.60%. The Plan's 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 of 7.60%.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.85% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the Generational RP-2000 with Projection Scale BB tables (refer to the valuation reports for more information – See Additional Financial and Actuarial Information).

The following actuarial assumptions applied in 2016:

- **FRS:** The inflation rate assumption remained at 2.60%, the real payroll growth assumption remained at 0.65%, and the overall payroll growth rate assumption remained at 3.25%. The long-term expected rate of return decreased from 7.65 in 2015 to 7.60%
- **HIS:** The municipal bonds rate used to determine total pension liability was decreased from 3.80% to 2.85%.



## **FUND COMBINING STATEMENTS**

**COLUMBIA COUNTY FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**

**September 30, 2016**

				Special		Revenue	Funds					
	Clerk of Courts			Property Appraiser	Sheriff			Supervisor of Elections		Tax Collector	Board of County Commissioners	
	Public Records Modernization	Reserved	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	Community Development Block Grant
	Trust	10%										
<b>ASSETS</b>												
Current assets												
Cash	\$ 147,350	\$ 185,773	\$ 1,281	\$ 59,217	\$ 28,342	\$ 27,154	\$ 373,071	\$ 266,876	\$ 4,157	\$ 15,755	\$ 291,265	\$ -
Accounts receivable	-	-	-	-	-	-	4,098	-	-	-	3,300	-
Due from other funds	6,458	8,357	1,442	-	-	-	29,751	-	-	-	66,229	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	12,000	-	-
Prepaid expense	-	-	-	-	-	-	4,668	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 153,808</b>	<b>\$ 194,130</b>	<b>\$ 2,723</b>	<b>\$ 59,217</b>	<b>\$ 28,342</b>	<b>\$ 27,154</b>	<b>\$ 411,588</b>	<b>\$ 266,876</b>	<b>\$ 4,157</b>	<b>\$ 27,755</b>	<b>\$ 360,794</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>												
<b>LIABILITIES</b>												
Current liabilities												
Accounts payable	\$ 5,217	\$ -	\$ 149	\$ -	\$ 380	\$ -	\$ 36,628	\$ -	\$ -	\$ 14,398	\$ 3,531	\$ -
Accrued wages	-	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-	382	-	-	233	18,752	-
Due to other funds	-	-	-	54,717	-	-	-	-	-	13,124	321,092	-
Due to other governmental units	-	-	-	4,500	-	-	-	-	-	-	17,419	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>5,217</b>	<b>-</b>	<b>149</b>	<b>59,217</b>	<b>380</b>	<b>-</b>	<b>37,010</b>	<b>-</b>	<b>-</b>	<b>27,755</b>	<b>360,794</b>	<b>-</b>
<b>FUND BALANCES</b>												
Nonspendable	-	-	-	-	-	-	4,668	-	-	-	-	-
Restricted	148,591	194,130	2,574	-	27,962	27,154	369,910	266,877	4,157	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>148,591</b>	<b>194,130</b>	<b>2,574</b>	<b>-</b>	<b>27,962</b>	<b>27,154</b>	<b>374,578</b>	<b>266,877</b>	<b>4,157</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 153,808</b>	<b>\$ 194,130</b>	<b>\$ 2,723</b>	<b>\$ 59,217</b>	<b>\$ 28,342</b>	<b>\$ 27,154</b>	<b>\$ 411,588</b>	<b>\$ 266,877</b>	<b>\$ 4,157</b>	<b>\$ 27,755</b>	<b>\$ 360,794</b>	<b>\$ -</b>

(continued)

**COLUMBIA COUNTY FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**

**COMBINING BALANCE SHEET**

**September 30, 2016**

	Special Revenue Funds									Debt Service Fund	Capital Projects		
	Board of County Commissioners												
	Court Reporters	Court Service	Impact Fees	Law Enforcement Special	Library Enhancement Grant	SHIP	Neighborhood Stabilization	Tourist Development Tax	Sheriff Special Revenue	Road Improvement	Paving Assess-ments	Connector Road Project	Total Nonmajor Governmental Funds
ASSETS													
Cash	\$ 40,153	\$ 564,262	\$ 45,297	\$ 74,887	\$ 90,958	\$ 22,015	\$ -	\$ 774,818	\$ 1,946,140	\$ 480,071	\$ 144,613	\$ 404,052	\$ 5,987,507
Accounts and interest receivable	-	-	478	-	-	-	-	680	-	-	-	-	8,557
Due from other funds	-	11,829	-	-	-	-	-	-	842,839	-	577	-	967,482
Due from other governmental units	-	7,372	-	-	64,225	-	-	97,417	-	36,726	-	-	217,740
Prepaid expense	-	-	-	-	-	-	-	250	-	-	-	-	4,918
Investments	-	303,025	250,000	1,482	-	-	-	652,873	-	-	-	-	1,207,380
Total assets	\$ 40,153	\$ 886,488	\$ 295,775	\$ 76,369	\$ 155,183	\$ 22,015	\$ -	\$ 1,526,038	2,788,979	\$ 516,797	\$ 145,190	\$ 404,052	\$ 8,393,584
LIABILITIES AND FUND BALANCES													
LIABILITIES													
Current liabilities													
Accounts payable	\$ 5,177	\$ 3,589	\$ -	\$ -	\$ 9,773	\$ 8,500	\$ -	\$ 15,823	-	\$ -	\$ -	\$ -	\$ 103,165
Accrued wages payable	-	361	-	-	7,371	-	-	3,064	-	-	-	-	10,796
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-	-	-	19,367
Due to other funds	-	-	-	22,408	-	-	-	-	-	-	-	-	411,341
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	-	21,919
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	5,177	3,950	-	22,408	17,144	8,500	-	18,887	-	-	-	-	566,588
FUND BALANCES													
Nonspendable	-	-	-	-	-	-	-	250	-	-	-	-	4,918
Restricted	-	882,538	295,775	53,961	138,039	13,515	-	1,506,901	2,788,979	516,797	145,190	-	7,383,050
Committed	34,976	-	-	-	-	-	-	-	-	-	-	-	34,976
Assigned	-	-	-	-	-	-	-	-	-	-	-	404,052	404,052
Total fund balances	34,976	882,538	295,775	53,961	138,039	13,515	-	1,507,151	2,788,979	516,797	145,190	404,052	7,826,996
Total liabilities and fund balances	\$ 40,153	\$ 886,488	\$ 295,775	\$ 76,369	\$ 155,183	\$ 22,015	\$ -	\$ 1,526,038	\$ 2,788,979	\$ 516,797	\$ 145,190	\$ 404,052	\$ 8,393,584

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**For the Fiscal Year Ending September 30, 2016**

	Special Revenue Funds											
	Clerk of Courts			Property Appraiser	Sheriff					Supervisor of Elections	Tax Collector	Board of County Commissioners
	Public Records Modernization	Reserved	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	Community Development Block Grant
	Trust	10%										
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-	-	-	-	47,067	-	-
Charges for services	95,624	-	20,593	97,858	-	-	177,592	-	4,213	-	1,942,214	-
Fines and forfeitures	-	106,334	-	-	14,364	18,130	-	78,787	-	-	-	-
Interest income	-	-	-	111	31	34	178	288	1	25	1,412	13
Miscellaneous	-	-	-	11,401	-	-	-	-	-	22,013	1,436	-
Total revenues	95,624	106,334	20,593	109,370	14,395	18,164	177,770	79,075	4,214	69,105	1,945,062	13
EXPENDITURES												
Current Expenditures												
General government	17,889	-	-	1,320,651	-	-	-	-	-	778,390	1,617,397	-
Public safety	-	-	-	-	14,317	2,084	84,105	36,100	1,278	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	8,344
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court - related	87,664	121,892	26,329	-	-	-	-	-	-	-	-	-
Capital outlay												
General government	-	-	-	3,071	-	-	-	-	-	123,796	6,573	-
Public safety	-	-	-	-	-	29,419	-	66,843	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court - related	9,488	-	-	-	-	-	-	-	-	-	-	-
Debt service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	115,041	121,892	26,329	1,323,722	14,317	31,503	84,105	102,943	1,278	902,186	1,623,970	8,344
Excess of revenues over (under) expenditures	(19,417)	(15,558)	(5,736)	(1,214,352)	78	(13,339)	93,665	(23,868)	2,936	(833,081)	321,092	(8,331)
OTHER FINANCING SOURCES (USES)												
Loan proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	-	1,214,352	-	-	-	-	-	846,205	-	-
Interfund transfers out	-	-	-	-	-	-	(38,513)	-	-	(13,124)	(321,092)	(1,001)
Total other financing sources (uses)	-	-	-	1,214,352	-	-	(38,513)	-	-	833,081	(321,092)	(1,001)
Net change in fund balances	(19,417)	(15,558)	(5,736)	-	78	(13,339)	55,152	(23,868)	2,936	-	-	(9,332)
Fund balances beginning of year	168,008	209,688	8,310	-	27,884	40,493	319,426	290,745	1,221	-	-	9,332
Fund balances end of year	\$ 148,591	\$ 194,130	\$ 2,574	\$ -	\$ 27,962	\$ 27,154	\$ 374,578	\$ 266,877	\$ 4,157	\$ -	\$ -	\$ -

(Continued)

**COLUMBIA COUNTY FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**For the Fiscal Year Ending September 30, 2016**

	Special Revenue Funds								Debt Service Fund	Capital Projects Fund			
	Board of County Commissioners												
	Court Reporters	Court Service	Impact Fees	Law Enforcement Special	Library Enhancement Grant	SHIP	Neighborhood Stabilization	Tourist Development Tax	Sheriff Special Revenue	Road Improvement	Paving Assess-ments	Connector Road Project	Total Nonmajor Governmental Funds
REVENUES													
Taxes	\$ -	\$ 236,500	\$ -	\$ -	\$ 591,756	\$ -	\$ -	\$ 1,383,879	\$ -	\$ 800,000	\$ -	\$ -	\$ 3,012,135
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	-	18,433	-	18,433
Intergovernmental revenue	126,023	-	-	-	173,654	362,277	-	22,000	-	-	-	-	731,021
Charges for services	-	132,173	-	-	-	-	-	-	-	-	-	-	2,470,267
Fines and forfeitures	-	-	-	54,770	-	-	-	-	-	-	-	-	272,385
Interest income	-	3,508	1,324	157	123	-	78	4,876	-	-	312	1,099	13,570
Miscellaneous	-	844	-	-	2,399	9,000	20,422	22,694	10,758	-	-	-	100,967
Total revenues	126,023	373,025	1,324	54,927	767,932	371,277	20,500	1,433,449	10,758	800,000	18,745	1,099	6,618,778
EXPENDITURES													
Current Expenditures													
General government	-	12,753	-	-	-	-	-	-	-	-	2,738	-	\$ 3,749,818
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	137,884
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	34,671	-	123,229	157,900
Economic environment	-	-	-	-	-	384,863	75,318	599,671	-	-	-	-	1,068,196
Human services	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	785,639	-	-	-	-	-	-	-	785,639
Court -related	134,228	328,053	-	-	-	-	-	-	-	-	-	-	698,166
Capital outlay													
General government	-	-	-	-	-	-	-	-	-	-	-	-	133,440
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	96,262
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	739,207	739,207
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Court -related	-	6,326	-	-	-	-	-	-	-	-	-	-	15,814
Debt service													
Principal	-	-	-	-	-	-	-	-	-	3,273,777	-	-	3,273,777
Interest	-	-	-	-	-	-	-	-	-	59,717	-	-	59,717
Total expenditures	134,228	347,132	-	-	785,639	384,863	75,318	599,671	-	3,368,165	2,738	862,436	10,915,820
Excess of revenues over (under) expenditures	(8,205)	25,893	1,324	54,927	(17,707)	(13,586)	(54,818)	833,778	10,758	(2,568,165)	16,007	(861,337)	(4,297,042)
OTHER FINANCING SOURCES (USES)													
Loan proceeds	-	-	-	-	-	-	-	-	-	6,000,000	-	-	6,000,000
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	277,062	277,062
Interfund transfers in	-	-	-	-	350	-	418	-	16,102,264	-	-	500,000	18,663,589
Interfund transfers out	-	-	-	(48,408)	-	-	-	(300,000)	(13,324,043)	(3,500,666)	-	-	(17,546,847)
Total other financing sources (uses)	-	-	-	(48,408)	350	-	418	(300,000)	2,778,221	2,499,334	-	777,062	7,393,804
Net change in fund balances	(8,205)	25,893	1,324	6,519	(17,357)	(13,586)	(54,400)	533,778	2,788,979	(68,831)	16,007	(84,275)	3,096,762
Fund balances beginning of year	43,181	856,645	294,451	47,442	155,396	27,101	54,400	973,373	-	585,628	129,183	488,327	4,730,234
Fund balances end of year	\$ 34,976	\$ 882,538	\$ 295,775	\$ 53,961	\$ 138,039	\$ 13,515	\$ -	\$ 1,507,151	\$ 2,788,979	\$ 516,797	\$ 145,190	\$ 404,052	\$ 7,826,996

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
September 30, 2016**

	Clerk of Circuit Court					Sheriff				Tax Collector		
				Public Defender								
	Clerk's Trust	Employee Sunshine	Domestic Relations	Jury Witness	Occupancy Trust	Individual Depositors	Inmate Welfare	Donation Trust	Evidence Trust	Tag Agency	Ad Valorem Tax Agency	Totals
<b>ASSETS</b>												
Cash	\$ 1,036,382	\$ 625	\$ 767	\$ 7,695	\$ 17,540	\$ 6,880	\$ 376,280	\$ 5,966	\$ 15,867	\$ 167,933	\$ 2,226,981	\$ 3,862,916
Accounts receivable	13,864	-	-	-	-	-	1,333,200	-	-	1,056	706	1,348,826
<b>Total assets</b>	<u>\$ 1,050,246</u>	<u>\$ 625</u>	<u>\$ 767</u>	<u>\$ 7,695</u>	<u>\$ 17,540</u>	<u>\$ 6,880</u>	<u>\$ 1,709,480</u>	<u>\$ 5,966</u>	<u>\$ 15,867</u>	<u>\$ 168,989</u>	<u>\$ 2,227,687</u>	<u>\$ 5,211,742</u>
<b>LIABILITIES</b>												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ 1,600	\$ 1,605
Cash bond liability	31,694	-	-	-	-	-	-	-	-	-	-	31,694
Court fees payable	160,620	-	-	-	-	-	-	-	-	-	-	160,620
Deposits held in escrow	139,554	-	-	-	-	-	-	-	-	10,547	468	150,569
Due to other funds	217,279	-	-	-	-	6,880	33,661	-	-	19,238	1,068,950	1,346,008
Due to other governmental units	158,204	-	767	7,695	-	-	-	-	-	132,750	881,550	1,180,966
Tax deeds payable	322,790	-	-	-	-	-	-	-	-	-	201,904	524,694
Other current liabilities	20,105	625	-	-	17,540	-	1,675,819	5,966	15,867	6,449	73,215	1,815,586
<b>Total liabilities</b>	<u>1,050,246</u>	<u>625</u>	<u>767</u>	<u>7,695</u>	<u>17,540</u>	<u>6,880</u>	<u>1,709,480</u>	<u>5,966</u>	<u>15,867</u>	<u>168,989</u>	<u>2,227,687</u>	<u>5,211,742</u>
<b>NET POSITION</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

## **SINGLE AUDIT AND COMPLIANCE SECTION**

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

To the Board of County Commissioners  
and Constitutional Officers  
Columbia 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Florida, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise Columbia County, Florida's basic financial statements, and have issued our report thereon dated March 16, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Columbia County, Florida'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 Columbia County, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County, Florida'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.

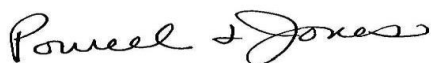


## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Columbia County, Florida'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*. However, we noted certain matters that we reported to the management of Columbia County in a letter dated March 16, 2017 on page 97.

## **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.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 16, 2017

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR STATE PROJECT AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, RULES  
OF THE AUDITOR GENERAL, OFFICE OF THE AUDITOR GENERAL**

**To the Board of County Commissioners  
and Constitutional Officers  
Columbia County, Florida**

**Report on Compliance for Each Major State Project**

We have audited the compliance of Columbia County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2016. Columbia County, Florida's major State project is identified in the summary of auditors' results section of the accompanying Schedule of Findings.

**Management's Responsibility**

Columbia County, Florida's management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major State project.

**Auditors' Responsibility**

Our responsibility is to express an opinion on Columbia County, Florida's compliance for each major 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 and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Those standards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about Columbia County, Florida'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 each major State Project. However, our audit does not provide a legal determination of Columbia County, Florida's compliance.

## **Opinion on Each Major State Project**

In our opinion, Columbia County, Florida 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 State projects for the fiscal year ended September 30, 2016.

## **Other Matters**

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with Chapter 10.550, Rules of the State of Florida, Office of the Auditor General.

## **Internal Control Over Compliance**

Management of Columbia County, Florida is responsible for establishing and maintaining effective internal control over the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Columbia County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on a major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State Project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the State of Florida, Office 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 Columbia County, Florida'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 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 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 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 preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Pursuant to Chapter 119, *Florida Statutes*, this report is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of Columbia County, Florida's management, State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
**Certified Public Accountants**  
**March 16, 2017**

**COLUMBIA COUNTY FLORIDA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**For The Fiscal Year Ended September 30, 2016**

<b>State Grantor/Pass Through Grantor Program Title</b>	<b>CSFA#</b>	<b>GRANT #</b>	<b>PROGRAM OR AWARD AMOUNT</b>	<b>REPORTED IN PRIOR YEARS</b>	<b>REVENUES RECOGNIZED</b>	<b>EXPENDITURES</b>	<b>ACCRUED / (UNEARNED) 9/30/2016</b>
<b>STATE FINANCIAL ASSISTANCE</b>							
<b>Executive Office of the Governor</b>							
Emergency Management Programs	31.063	17-BG-83-03-22-01-019	105,806	-	-	22,094	30,132
Emergency Management Programs	31.063	16-BG-83-03-22-01-012	105,806	-	96,066	73,523	-
<b>Total Executive Office of the Governor</b>			<u>211,612</u>	<u>-</u>	<u>96,066</u>	<u>95,617</u>	<u>30,132</u>
<b>Department of Environmental Protection</b>							
Small County Solid Waste Grant Agreement	37.012	SC604	90,909	-	90,909	90,909	90,909
Florida Springs Grant Program	37.052	S0924	2,250,000	-	-	-	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP6025	1,200,000	717,334	-	-	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	S0924	750,000	-	-	90,607	-
<b>Total Department of Environmental Protection</b>			<u>4,290,909</u>	<u>717,334</u>	<u>90,909</u>	<u>181,516</u>	<u>90,909</u>
<b>Department of Agriculture and Consumer Services</b>							
Arthropod Mosquito Control State Aid	42.003	FDACS Contract #021311	100,218	31,540	41,294	41,294	9,754
<b>Department of Economic Opportunity</b>							
<b>pass through Florida Tourism Industry Marketing Corp.</b>							
Visit Florida	40.006	N/A	7,500	-	7,500	7,500	-
<b>Department of Economic Opportunity</b>							
<b>pass through Florida's Suwannee River Valley Marketing Group</b>							
Rural Community Development and Infrastructure	40.007	D0093	50,000	-	-	11,336	-
<b>Department of Economic Opportunity</b>							
<b>Division of Community Development</b>							
	40.038	P0172	17,500	-	16,274	16,274	-
<b>Total Department of Economic Opportunity</b>			<u>75,000</u>	<u>-</u>	<u>23,774</u>	<u>35,110</u>	<u>-</u>
<b>Florida Housing Finance Corporation</b>							
<b>State Housing Initiatives Program</b>							
SHIP Funds 2016	40.901	FY2015-2016	362,277	-	362,277	362,277	-
SHIP program income	40.901	FY2015-2016	-	-	9,000	9,000	-
			<u>362,277</u>	<u>-</u>	<u>371,277</u>	<u>371,277</u>	<u>-</u>
<b>Department of State</b>							
State Aid to Libraries Operating/Equalization Grant	45.030	16-ST-09	189,680	-	189,680	189,680	-

Continued

**COLUMBIA COUNTY FLORIDA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**For The Fiscal Year Ended September 30, 2016**

<b>State Grantor/Pass Through Grantor Program Title</b>	<b>CSFA#</b>	<b>GRANT #</b>	<b>PROGRAM OR AWARD AMOUNT</b>	<b>REPORTED IN PRIOR YEARS</b>	<b>REVENUES RECOGNIZED</b>	<b>EXPENDITURES</b>	<b>ACCRUED / (UNEARNED) 9/30/2016</b>
<b>Florida Department of Transportation</b>							
Small County Outreach Program - Bell Road	55.009	430720-1-58-01	908,639	-	157,986	108,991	157,986
Small County Outreach Program - Herlong St	55.009	430696-1.2-58-01	2,141,907	424,645	1,717,262	1,490,619	-
Small County Outreach Program - Real Rd	55.009	434622-1-58-01	812,942	27,850	39,833	17,263	-
Small County Outreach Program - Callahan Ave	55.009	437006-1-54-01	905,827	-	46,276	60,306	46,276
Small County Outreach Program - Suwannee Valley	55.009	432777-1-54-01	1,530,000	-	1,449,230	1,449,230	1,449,230
Small County Outreach Program - Croft Bridge	55.009	439056-1-54-01	125,000	-	8,675	18,875	8,675
			<u>6,424,315</u>	<u>452,495</u>	<u>3,419,262</u>	<u>3,145,284</u>	<u>1,662,167</u>
County Incentive Grant - Bell Road	55.008	430720-1-58-01	257,197	-	-	-	-
Small County Road Assistance Program - Sister's Welcome	55.016	432599-1-54-01	960,000	-	960,000	960,000	960,000
<b>Total Florida Department of Transportation</b>			<u>7,641,512</u>	<u>452,495</u>	<u>4,379,262</u>	<u>4,105,284</u>	<u>2,622,167</u>
<b>Department of Health</b>							
Emergency Medical Services County Awards Grant	64.005	C4012	38,445	11,684	6,906	6,906	(19,855)
<b>Department of Management Services</b>							
Rural County Grant - 911 Maintenance	72.001	16-04-05	40,132	-	40,132	40,132	40,132
Rural County Grant - 911 System Maintenance	72.001	15-10-4	26,323	-	26,323	26,323	-
			<u>66,455</u>	<u>-</u>	<u>66,455</u>	<u>66,455</u>	<u>40,132</u>
<b>State of Florida Fish and Wildlife Conservation Commission</b>							
Florida Boating Improvement Program - Cone Bridge	77.006	12251	174,932	-	171,931	16,710	-
Florida Boating Improvement Program - Bible Camp	77.006	12250	352,345	-	352,345	56,185	-
			<u>527,277</u>	<u>-</u>	<u>524,276</u>	<u>72,895</u>	<u>-</u>
<b>Total state financial assistance</b>			<u><b>\$ 13,503,385</b></u>	<u><b>\$ 1,213,053</b></u>	<u><b>\$ 5,789,899</b></u>	<u><b>\$ 5,166,034</b></u>	<u><b>\$ 2,773,239</b></u>

See notes to Schedule of Expenditures of State Financial Assistance.

## **COLUMBIA COUNTY, FLORIDA**

### **Notes to Schedule of State Financial Assistance**

**For the Fiscal Year Ended September 30, 2016**

#### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and presentation of the Single Audit Report of Columbia, County, Florida, (the "County") have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the *Chapter 10.550 Rules of the State of Florida, Office of the Auditor General*.

##### **A. Reporting Entity**

The reporting entity consists of Columbia County, the primary government, and each of its component units. The County includes a Schedule of Expenditures of State Financial Assistance in the Compliance Section

##### **B. Basis of Accounting**

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

The modified accrual basis of accounting is followed in the Schedule of Expenditures of State Financial Assistance. Under the modified accrual basis, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**COLUMBIA COUNTY, FLORIDA**  
**SCHEDULE OF FINDINGS**  
For the Fiscal Year Ended September 30, 2016

**Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
• Material weakness identified?	No
• Significant deficiencies identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements	No

**State Financial Assistance**

Internal control over major projects:

• Material weakness identified?	No
• Significant deficiencies identified not considered to be material weaknesses?	None reported

Type of auditor's report issued on compliance for major projects:	Unmodified
---	------------

Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, <i>Rules of the Auditor General</i> ?	No
---	----

Identification of Major Programs:

CSFA Number

Name of State Programs

55.009

**Department of Transportation**

Small County Outreach Program

55.016

Small County Road Assistance Program

40.901

**Florida Housing Finance Corporation**

State Housing Initiatives Program

37.012

**Department of Environmental Protection**

Small County Solid Waste Grant

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
--	-----------

**Financial Statement Findings**

None

**State Financial Assistance Findings and Questioned Costs**

None



## **MANAGEMENT LETTER**

Honorable Board of  
County Commissioners  
and Constitutional Officers  
Columbia County, Florida

We have audited the financial statements of Columbia County, Florida, as of and for the year ended September 30, 2016, and have issued our report thereon dated March 16, 2017.

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. We have issued our Independent Auditor's Report on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance with Requirements that Could have a Direct and Material Effect on Each Major State Project and on Internal Control over Compliance in Accordance with Chapter 10.550 *Rules of the Auditor General*, and Schedule of Findings. Disclosures in those reports and schedule, which are dated March 16, 2017, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with 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 the following items be addressed in this letter.

### **BOARD OF COUNTY COMMISSIONERS**

#### **PRIOR YEAR FINDINGS**

##### **2014-1**

Grant Administration – From our audit of the various grant programs administered by Board departments, we found several instances where grant reimbursement requests were not submitted timely as provided in the individual grant agreements. This situation created both lost interest earnings opportunities for the County, as well as provided the possibility for a loss of funds due to expiration of grant periods. To avoid such occurrences in the future, we recommended that the Board establish a centralized system to monitor grant financial activities, including reimbursement processes.

During the prior year the County developed and implemented grant management software, that if properly utilized would disclose such audit issues in grant project management. However, we found that the above projects and other grant funded road improvement projects were not managed within this software and resulted in delayed grant reimbursements.

To correct these deficiencies in grant management we recommended that all grant projects be administered within the grant management software and billings for grant reimbursements be made on a timely basis.

In the current year we noted that the County had not fully utilized the grant management system.

## **2015-1**

Emergency Management Preparedness and Assistance Grant Program Match - The State Emergency Management Preparedness and Assistance Grant Program (EMPA) requires a specified local County match of approximately 27 percent. From our review of this grant we found that the grant matching expenditures were not documented in the budget and financial records, but rather were compiled separately. To more fully document this match, we recommended that the matching expenditures be included in the budget and recorded in the financial records on an ongoing basis.

This finding was corrected in the current year.

### **CURRENT YEAR FINDINGS**

## **2016-1**

### **State Road Grants**

In the current year, we found charges to a road grant that was not in agreement with the scope of work stated in the grant agreement. The State of Florida is aware of these charges and has agreed not to seek reimbursement for the unrelated expenditures. We recommend that the County request budget amendments from the State prior to charging grant funds for road work that is not in the scope of work delineated in grant agreements.

### **CURRENT YEAR FINDINGS CLERK OF THE CIRCUIT COURT**

#### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

#### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

### **PROPERTY APPRAISER**

#### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

#### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

### **SHERIFF**

#### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

#### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

## **SUPERVISOR OF ELECTIONS**

### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

## **TAX COLLECTOR**

### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

## **AUDITOR GENERAL COMPLIANCE MATTERS**


Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(l)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2016.

Financial Emergency Status - We determined that the County had not met any of conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General*, Sections 10.544(7)(c) and 10.556(7), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

**CONCLUSION** - We have reviewed information regarding our audit with appropriate County officials and management and have provided them with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the County. We look forward to a long and mutually beneficial relationship with the Board of County Commissioners and other County Officials and employees. We also appreciate the helpful assistance and courtesy afforded us by all County employees.



## **POWELL & JONES**

Certified Public Accountants

March 16, 2017

## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of County Commissioners  
Columbia County, Florida

We have examined the Columbia County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Section 28.35, *Florida Statutes* as to the following during the fiscal year ended September 30, 2016:

- a. The budget certified by the Florida Clerk of Courts Operations Corporation.
- b. The performance standards developed and certified to Section 28.35 *Florida Statutes*.

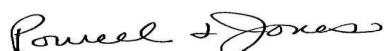
We also examined the County's compliance with Section 365.172(10) *Florida Statutes* and requirements specified by the E911 board grant and special disbursement programs. These laws require that E911 fee revenues, interest and E911 grant funding be used to pay for authorized expenditures as specified in the *Statutes*.

Management is responsible for the County's and Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the County's and the Clerk's compliance based on our examinations.

Our examinations were 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 and the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the County's and the Clerk's compliance with specified requirements.

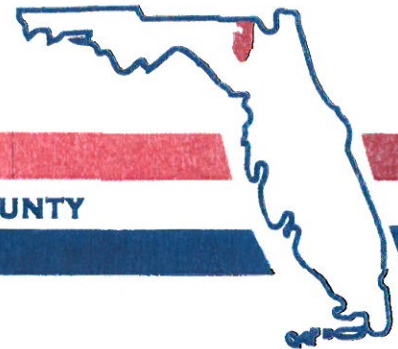
In our opinion, Columbia County, Florida and the Columbia County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

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



**POWELL & JONES**  
Certified Public Accountants  
March 16, 2017

District No. 1 - Ronald Williams  
District No. 2 - Rusty DePratter  
District No. 3 - Bucky Nash  
District No. 4 - Everett Phillips  
District No. 5 - Tim Murphy



**BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY**

May 30, 2017

Ms. Sherrill Foltz Norman, C.P.A.  
AUDITOR GENERAL  
State of Florida  
The Capital  
Tallahassee, Florida 32399

RE: Response to Management Letter –  
Annual Financial Report Fiscal Year Ended September 30, 2016  
Columbia County

Dear Auditor General:

Columbia County provides the following response to the current year findings within the management letter issued to the Board of County Commissioners in the above referenced financial report.

Prior Year Findings

**2014-1 Grant Administration**

The County's Financial Services Manager is charged with oversight of the County's grant programs from a financial and compliance perspective, and will utilize a centralized electronic grant documentation repository that is already in place. This position is new and was filled in late fiscal year 2016. We're confident this person will resolve the findings noted.

Current Year Findings

**2016-1 State Road Grants**

The County received verbal approval from the local Florida Department of Transportation administration to pave the additional road under the grant agreement. However, future amendments to the scope of work under grant agreements will be executed in writing prior to completing the additional work.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ben Scott".

Ben Scott  
County Manager

XC: Board of County Commissioners  
P. DeWitt Cason, Clerk of Courts  
Richard Powell, C.P.A.  
Danielle Beard, Finance Director  
Scott Ward, Assistant County Manager  
Outgoing Correspondence

BOARD MEETS FIRST THURSDAY AT 5:30 P.M.  
AND THIRD THURSDAY AT 5:30 P.M.

**CLERK OF THE CIRCUIT COURT**

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

**ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended September 30, 2016

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
Independent Auditor's Report	103 - 104
<b>COMBINED FINANCIAL STATEMENTS</b>	
Combined Balance Sheet - All Fund Types	106
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	107
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Special Revenue Funds	108
Notes to Financial Statements	119 - 113
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS</b>	
<b>GENERAL FUND</b>	
Balance Sheet	116
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	117 119
<b>SPECIAL REVENUE FUNDS</b>	
Combining Balance Sheet	121
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	122
<b>AGENCY FUNDS</b>	
Combining Balance Sheet	124
Combining Statement of Changes in Assets and Liabilities	125 - 126
<b>COMPLIANCE SECTION</b>	
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 <i>Government Auditing Standards</i>	128 - 129
Management Letter	130 - 131
Independent Accountant's Report	132



**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1359 S.W. Main Blvd.  
Lake City, Florida 32025  
386 / 755-4200  
Fax: 386 / 719-5504  
admin@powellandjonescpa.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Clerk of the Circuit Court  
Columbia County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose fund financial statements of the Columbia County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2016, 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 special purpose 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 or 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.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Clerk of the Circuit Court is part of the reporting entity, Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants



## **Opinion**

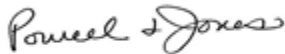
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Clerk of the Circuit Court, as of September 30, 2016, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated March 6, 2017, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 Clerk of the Circuit Court's internal control over financial reporting and on compliance.

## **Other Information**

Our audit was made for the purpose of forming an opinion on the special purpose fund financial statements taken as a whole. The combining and individual fund financial statement listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Clerk of the Circuit Court. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



## **POWELL & JONES**

Certified Public Accountants  
March 6, 2017

## **COMBINED FINANCIAL STATEMENTS**

# COLUMBIA COUNTY, FLORIDA

## CLERK OF CIRCUIT COURT

### COMBINED BALANCE SHEET - ALL FUND TYPES

September 30, 2016

	Governmental Fund Types		Fiduciary Fund Type	
	General Fund	Special Revenue Funds	Agency Funds	Totals
<b>ASSETS</b>				
Current assets				
Cash	\$ 92,305	\$ 334,405	\$ 1,063,008	\$ 1,489,718
Accounts receivable	-	-	13,864	13,864
Due from other funds	164,136	16,257	-	180,393
Due from other governmental un	20,387	-	-	20,387
Total assets	<u>\$ 276,828</u>	<u>\$ 350,662</u>	<u>\$ 1,076,872</u>	<u>\$ 1,704,362</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 786	\$ 5,366	\$ -	6,152
Due to individuals	-	-	605,452	605,452
Due to other funds	1,700	-	178,693	180,393
Due to Board of County Commi	98,896	-	37,186	136,082
Due to other governmental unit	21,433	-	154,673	176,106
Deposits	-	-	60,810	60,810
Unearned revenue	139,180	-	-	139,180
Other current liabilities	14,833	-	40,058	54,891
Total liabilities	<u>276,828</u>	<u>5,366</u>	<u>1,076,872</u>	<u>1,359,066</u>
<b>FUND BALANCES</b>				
Restricted	-	342,722	-	342,722
Committed	-	2,574	-	2,574
Total fund balances	<u>-</u>	<u>345,296</u>	<u>-</u>	<u>345,296</u>
Total liabilities and fund balances	<u>\$ 276,828</u>	<u>\$ 350,662</u>	<u>\$ 1,076,872</u>	<u>\$ 1,704,362</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF CIRCUIT COURT**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
For the Fiscal Year Ended September 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
<b>REVENUES</b>			
Intergovernmental	\$ 118,337	\$ -	\$ 118,337
Charges for services	1,137,482	116,217	1,253,699
Fines and forfeitures	497,067	106,334	603,401
Total revenues	<u>1,752,886</u>	<u>222,551</u>	<u>1,975,437</u>
<b>EXPENDITURES</b>			
Current expenditures			
General government	683,496	105,702	789,198
Court related	1,398,097	157,559	1,555,656
Total expenditures	<u>2,081,593</u>	<u>263,261</u>	<u>2,344,854</u>
Excess of revenues over (under) expenditures	<u>(328,707)</u>	<u>(40,710)</u>	<u>(369,417)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfer from Board of County Commissioners	328,707	-	328,707
Total other financing sources	<u>328,707</u>	<u>-</u>	<u>328,707</u>
Net change in fund balance	-	(40,710)	(40,710)
Fund balance at beginning of year	-	386,006	386,006
Fund balance at end of year	<u>\$ -</u>	<u>\$ 345,296</u>	<u>\$ 345,296</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

CLERK OF CIRCUIT COURT  
**COMBINED STATEMENT OF REVENUES ,EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL**  
**GENERAL AND SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended September 30, 2016

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Intergovernmental	\$ 107,442	\$ 118,337	\$ 10,895	\$ -	\$ -	\$ -
Charges for services	1,673,038	1,137,482	(535,556)	116,000	116,217	217
Fines and forfeitures	-	497,067	497,067	120,000	106,334	(13,666)
Total revenues	<u>1,780,480</u>	<u>1,752,886</u>	<u>(27,594)</u>	<u>236,000</u>	<u>222,551</u>	<u>(13,449)</u>
<b>EXPENDITURES</b>						
Current expenditures						
General government	876,451	683,496	192,955	110,000	105,702	4,298
Court related	<u>1,091,580</u>	<u>1,398,097</u>	<u>(306,517)</u>	<u>152,975</u>	<u>157,559</u>	<u>(4,584)</u>
Total expenditures	<u>1,968,031</u>	<u>2,081,593</u>	<u>(113,562)</u>	<u>262,975</u>	<u>263,261</u>	<u>(286)</u>
Excess of revenues over (under) expenditures	<u>(187,551)</u>	<u>(328,707)</u>	<u>(141,156)</u>	<u>(26,975)</u>	<u>(40,710)</u>	<u>(13,735)</u>
<b>OTHER FINANCING SOURCES</b>						
Transfers from Board of County Commissioners	187,551	328,707	141,156	-	-	-
Total other financing sources	<u>187,551</u>	<u>328,707</u>	<u>141,156</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	(26,975)	(40,710)	(13,735)
Fund balance at beginning of year	-	-	-	386,006	386,006	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 359,031</u>	<u>\$ 345,296</u>	<u>\$ (13,735)</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the Columbia County Clerk of the Circuit Court (Clerk).

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Clerk of the Circuit Court, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Clerk's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as a part of the primary government of Columbia County, Florida. The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Clerk are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. 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 entity, 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 funds and account group utilized by the Clerk are as follows:

**(i) Governmental Funds**

**General Fund** - The General Fund of the Clerk of the Circuit Court is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2016, the Clerk maintained the following Special Revenue Funds:

Public Records Modernization Trust Fund  
Teen Court Fund  
Reserved 10% Fines Fund

(ii) **Fiduciary Funds**

**Agency Funds** - Agency Funds are used to account for assets held by the Clerk as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following Agency Funds are maintained by the Clerk.

Trust  
Employee Sunshine Fund  
Domestic Relations  
Jury and Witness  
Public Defender Occupancy Trust

**C. Basis of Accounting** - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Clerk of the Circuit Court currently maintains his accounting records for all funds on the cash basis. However, for financial statement purposes, appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the appropriations to the General Fund of the Clerk of the Circuit Court. The Clerk also initially prepares and appropriately amends internally the Clerk's General Fund budget.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriations budget of the Clerk of the Circuit Court.

**E. Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2016, the book balance of the Clerk's deposits was \$1,489,718. The bank balance was \$1,527,186. This bank balance was covered by federal depository insurance and pledged collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

The collateral for the Clerk's deposits is categorized to give an indication of the level of risk assumed by the Clerk at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Clerk or his agent in the Clerk's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Clerk's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Clerk's name. All of the collateral covering the Clerk's deposits was Category 1.

**F. Inventories** - It is the policy of the Clerk of the Circuit Court to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Asset Group of Accounts, except for its infrastructure fixed assets which the County has elected not to report. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been provided on the County's general fixed assets. Assets purchased by the Clerk of the Circuit Court are reported in the County's General Fixed Assets Account Group.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability, \$115,653, is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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

### **NOTE 3. PENSION PLAN**

**Plan Description** - The Clerk contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.



**Funding Policy** - The System is employee non-contributory through June 30, 2011. Effective July 2011, employees are required to contribute 3% of their gross wages. The Clerk is required to contribute at an actuarially determined rate. The rates at September 30, 2016 were as follows: Regular Employees 7.52%; Senior Management 21.77%; Elected Officials 42.47%, and employees electing the DROP Program 12.99%. The contribution requirements of plan members and the Clerk are established and may be amended by the Florida Legislature. The Clerk's contributions to the System for the years ending September 30, 2016, 2015 and 2014 were \$159,295, \$164,691, and \$169,037, respectively, equal to the required contributions for each year.

**NOTE 4. INTERFUND RECEIVABLES AND PAYABLES**

Balances at September 30, 2016, were:

	Interfund Receivables	Interfund Payables
General Fund	\$ 164,136	\$ 1,700
Reserved 10% Fines	8,357	-
Public Records Modernization Trust	6,458	-
Teen Court	1,442	-
Trust	-	178,693
	<u>\$ 180,393</u>	<u>\$ 180,393</u>

**NOTE 5. LEASE COMMITMENTS**

The Clerk has various leases for equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the total year totaled \$64,488. Future minimum lease payments for these leases are as follows:

Year Ending September 30,	Minimum Lease Payments
2017	\$ 63,027
2018	51,959
2019	6,244
	<u>\$ 121,230</u>

## NOTE 6. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2016, fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** – amounts that can be used only for specific purposes determined by a formal action of the governing body. Commitments may be established, modified, or rescinded only through resolutions approved by the governing body.

**Assigned** – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Clerk.

**Unassigned** - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2016:

	Classification					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
Public Records						
Modernization Trust	\$ -	\$ 148,592	\$ -	\$ -	\$ -	\$ 148,592
Teen Court	-	-	2,574	-	-	2,574
Reserved 10% Fines	-	194,130	-	-	-	194,130
	<u>\$ -</u>	<u>\$ 342,722</u>	<u>\$ 2,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,296</u>

## NOTE 7. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Clerk expects such amounts, if any, to be immaterial.

**COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS**

**GENERAL FUND**

# **COLUMBIA COUNTY, FLORIDA**

## **CLERK OF CIRCUIT COURT GENERAL FUND BALANCE SHEET**

**September 30, 2016**

### **ASSETS**

Current assets	
Cash	\$ 92,305
Due from other funds	164,136
Due from other governmental units	20,387
Total assets	<u>\$ 276,828</u>

### **LIABILITIES AND FUND BALANCE**

#### **LIABILITIES**

Current liabilities	
Accounts payable	\$ 786
Accrued liabilities	14,833
Due to Board of County Commissioners	98,896
Due to other funds	1,700
Due to State	21,433
Unearned revenue	139,180
Total liabilities	<u>276,828</u>

#### **FUND BALANCE**

Unreserved	<u>-</u>
Total liabilities and fund balance	<u>\$ 276,828</u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## CLERK OF CIRCUIT COURT

### GENERAL FUND

#### STATEMENT OF REVENUES, EXPENDITURES AND

#### CHANGES IN FUND BALANCE

#### BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenue				
Federal grants				
IV - D grant	\$ 95,000	\$ 95,000	\$ 105,895	\$ 10,895
State grants				
State Court reimbursement	12,442	12,442	12,442	-
Total intergovernmental revenue	107,442	107,442	118,337	10,895
General government				
Charges for services				
Noncourt charges for services				
Recording	160,000	160,000	165,500	5,500
Documentary stamp commissions	12,000	12,000	12,003	3
Marriage licenses fees and charges	21,000	21,000	21,633	633
Passports	20,000	20,000	21,625	1,625
Copies	17,000	17,000	17,547	547
Other charges	41,000	41,000	23,027	(17,973)
Total general government	271,000	271,000	261,335	(9,665)
Court related				
Court related charges for services				
Circuit Criminal	130,000	130,000	52,760	(77,240)
Circuit Civil	200,000	200,000	191,603	(8,397)
County Criminal	230,000	230,000	57,748	(172,252)
County Civil	260,000	260,000	254,778	(5,222)
Traffic	572,000	524,038	266,804	(257,234)
Juvenile	3,000	3,000	2,393	(607)
Probate	55,000	55,000	50,061	(4,939)
Total court related charges for services	1,450,000	1,402,038	876,147	(525,891)
Fines and forfeitures				
Court related fines and forfeitures				
Circuit Criminal	-	-	76,283	76,283
County Criminal	-	-	186,734	186,734
Traffic	-	-	234,050	234,050
Total court related fines and forfeitures	-	-	497,067	497,067
Total court related revenues	1,450,000	1,402,038	1,373,214	(28,824)
Total revenues	1,828,442	1,780,480	1,752,886	(27,594)

(Continued)

# COLUMBIA COUNTY, FLORIDA

## CLERK OF CIRCUIT COURT GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
<b>EXPENDITURES</b>				
Board of County Commissioners				
Operating expenses	3,000	3,000	1,978	1,022
Capital outlay	-	-	-	-
Total Board of County Commissioners	375,302	375,302	317,569	57,733
Other general government				
Personnel services	290,000	290,000	270,513	19,487
Operating expenses	18,000	18,000	16,585	1,415
Total other general government	308,000	308,000	287,098	20,902
Clerk administration				
Personnel services	192,649	192,649	192,696	(47)
Operating expenses	500	500	453	47
Total Clerk administration	193,149	193,149	193,149	-
Court-related payments to State	-	-	193,367	(193,367)
Total court-related payments to State	-	-	193,367	(193,367)
Jury Management				
Operating expenses	5,000	5,000	5,022	(22)
Capital outlay	-	-	-	-
Total jury management	44,006	44,006	44,066	(60)
Circuit Criminal				
Operating expenses	550	550	556	(6)
Capital outlay	-	-	-	-
Total circuit criminal	234,608	234,608	234,608	-
Operating expenses	300	300	288	12
Capital outlay	-	-	-	-
Total circuit civil	100,171	100,171	100,172	(1)
Foreclosure				
Operating expenses	-	-	-	-
Capital outlay	-	-	-	-
Total foreclosure	12,442	12,442	12,442	-
Circuit Family				
Personnel services	77,245	77,245	77,137	108
Operating expenses	100	100	108	(8)
Capital outlay	-	-	-	-
Total circuit family	77,345	77,345	77,245	100
(Continued)				

# COLUMBIA COUNTY, FLORIDA

## CLERK OF CIRCUIT COURT GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND BUDGET AND ACTUAL

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Circuit Juvenile				
Personnel services	\$ 58,458	\$ 58,458	\$ 58,424	\$ 34
Operating expenses	100	100	87	13
Capital outlay	-	-	-	-
Total circuit juvenile	58,558	58,558	58,511	47
Circuit Probate				
Personnel services	59,300	59,300	59,064	236
Operating expenses	200	200	235	(35)
Capital outlay	-	-	-	-
Total circuit probate	59,500	59,500	59,299	201
Information Technology				
Personnel services	79,000	79,000	78,198	802
Operating expenses	1,000	1,000	631	369
Capital outlay	-	-	-	-
Total information technology	80,000	80,000	78,829	1,171
County Criminal				
Personnel services	141,615	141,615	141,659	(44)
Operating expenses	600	600	556	44
Capital outlay	-	-	-	-
Total county criminal	142,215	142,215	142,215	-
County Civil				
Personnel services	78,000	78,000	78,708	(708)
Operating expenses	150	150	130	20
Capital outlay	-	-	-	-
Total county civil	78,150	78,150	78,838	(688)
County Traffic				
Personnel services	204,185	204,185	203,848	337
Operating services	400	400	337	63
Capital outlay	-	-	-	-
Total county traffic	204,585	204,585	204,185	400
Total expenditures	1,968,031	1,968,031	2,081,593	(113,562)
Excess of revenues over (under) expenditures	(139,589)	(187,551)	(328,707)	(141,156)
Other financing sources				
Transfers from Board of County Commissioners	139,589	187,551	328,707	141,156
Transfers to State	-	-	-	-
Total other financing sources	139,589	187,551	328,707	141,156
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.



**SPECIAL REVENUE FUNDS**

**COLUMBIA COUNTY, FLORIDA****CLERK OF CIRCUIT COURT  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET**

September 30, 2016

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
<b>ASSETS</b>				
Current assets				
Cash	\$ 147,351	\$ 1,281	\$ 185,773	\$ 334,405
Due from other funds	6,458	1,442	8,357	16,257
Total assets	<u>\$ 153,809</u>	<u>\$ 2,723</u>	<u>\$ 194,130</u>	<u>\$ 350,662</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 5,217	\$ 149	\$ -	\$ 5,366
Total liabilities	<u>5,217</u>	<u>149</u>	<u>-</u>	<u>5,366</u>
<b>FUND BALANCES</b>				
Restricted	148,592	-	194,130	342,722
Committed	-	2,574	-	2,574
Total fund balances	<u>148,592</u>	<u>2,574</u>	<u>194,130</u>	<u>345,296</u>
Total liabilities and fund balances	<u>\$ 153,809</u>	<u>\$ 2,723</u>	<u>\$ 194,130</u>	<u>\$ 350,662</u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## CLERK OF CIRCUIT COURT SPECIAL REVENUE FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2016

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
<b>REVENUES</b>				
Charges for services				
General Government				
Recording of legal instruments	\$ 95,624	\$ -	\$ -	\$ 95,624
Court related	-	20,593	-	20,593
Fines and forfeitures	-	-	106,334	106,334
Total revenues	<u>95,624</u>	<u>20,593</u>	<u>106,334</u>	<u>222,551</u>
<b>EXPENDITURES</b>				
General Government				
Financial and administrative				
Operating expenses	105,702	-	-	105,702
Total general government	<u>105,702</u>	<u>-</u>	<u>-</u>	<u>105,702</u>
Court related				
Judicial				
Personnel services	-	-	56,770	56,770
Operating expenses	-	26,329	65,122	91,451
Capital outlay	9,338	-	-	9,338
Total court related	<u>9,338</u>	<u>26,329</u>	<u>121,892</u>	<u>157,559</u>
Total expenditures	<u>115,040</u>	<u>26,329</u>	<u>121,892</u>	<u>263,261</u>
Excess of revenues over (under) expenditures	<u>(19,416)</u>	<u>(5,736)</u>	<u>(15,558)</u>	<u>(40,710)</u>
Net change in fund balances	(19,416)	(5,736)	(15,558)	(40,710)
Fund balances at beginning of year	<u>168,008</u>	<u>8,310</u>	<u>209,688</u>	<u>386,006</u>
Fund balances at end of year	<u>\$ 148,592</u>	<u>\$ 2,574</u>	<u>\$ 194,130</u>	<u>\$ 345,296</u>

See notes to financial statements.

## **AGENCY FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF CIRCUIT COURT  
AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 2016**

	Clerk Trust	Employee Sunshine	Domestic Relations	Jury and Witness	Public Defender Occupancy Trust	Totals
<b>ASSETS</b>						
Cash	\$ 1,036,381	\$ 625	\$ 767	\$ 7,695	\$ 17,540	\$ 1,063,008
Accounts receivable	13,864	-	-	-	-	13,864
<b>Total assets</b>	<b>\$ 1,050,245</b>	<b>\$ 625</b>	<b>\$ 767</b>	<b>\$ 7,695</b>	<b>\$ 17,540</b>	<b>\$ 1,076,872</b>
<b>LIABILITIES</b>						
Due to individuals	\$ 597,757	\$ -	\$ -	\$ 7,695	\$ -	\$ 605,452
Due to other funds	178,693	-	-	-	-	178,693
Due to Board of County Commissioners	37,186	-	-	-	-	37,186
Due to other governmental units	153,906	-	767	-	-	154,673
Deposits	60,810	-	-	-	-	60,810
Other current liabilities	21,893	625	-	-	17,540	40,058
<b>Total liabilities</b>	<b>\$ 1,050,245</b>	<b>\$ 625</b>	<b>\$ 767</b>	<b>\$ 7,695</b>	<b>\$ 17,540</b>	<b>\$ 1,076,872</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF CIRCUIT COURT**

**AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**For the Fiscal Year Ended September 30, 2016**

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
<b>TRUST FUND</b>				
<b>Assets</b>				
Cash	\$ 922,414	\$ 7,570,265	\$ 7,456,298	\$ 1,036,381
Accounts receivable	13,398	3,057	2,591	13,864
<b>Total assets</b>	<b>\$ 935,812</b>	<b>\$ 7,573,322</b>	<b>\$ 7,458,889</b>	<b>\$ 1,050,245</b>
<b>Liabilities</b>				
Due to individuals	\$ 468,577	\$ 754,023	\$ 624,843	\$ 597,757
Due to other funds	164,641	\$ 9,171,537	\$ 9,157,485	178,693
Due to Board of County Commissioners	42,506	484,617	489,937	37,186
Due to other governmental units	169,243	4,285,761	4,301,098	153,906
Deposits	71,288	201,166	211,644	60,810
Other current liabilities	19,557	30,931	28,595	21,893
<b>Total liabilities</b>	<b>\$ 935,812</b>	<b>\$ 14,928,035</b>	<b>\$ 14,813,602</b>	<b>\$ 1,050,245</b>
<b>EMPLOYEE SUNSHINE FUND</b>				
<b>Assets</b>				
Cash	\$ 968	\$ 1,809	\$ 2,152	\$ 625
<b>Total assets</b>	<b>\$ 968</b>	<b>\$ 1,809</b>	<b>\$ 2,152</b>	<b>\$ 625</b>
<b>Liabilities</b>				
Other current liabilities	\$ 968	\$ 270	\$ 613	\$ 625
<b>Total liabilities</b>	<b>\$ 968</b>	<b>\$ 270</b>	<b>\$ 613</b>	<b>\$ 625</b>
<b>DOMESTIC RELATIONS FUND</b>				
<b>Assets</b>				
Cash	\$ 1,636	\$ 19,296	\$ 20,165	\$ 767
<b>Total assets</b>	<b>\$ 1,636</b>	<b>\$ 19,296</b>	<b>\$ 20,165</b>	<b>\$ 767</b>
<b>Liabilities</b>				
Due to other governmental units	\$ 1,636	\$ 16,167	\$ 17,036	\$ 767
<b>Total liabilities</b>	<b>\$ 1,636</b>	<b>\$ 16,167</b>	<b>\$ 17,036</b>	<b>\$ 767</b>
<b>JURY AND WITNESS FUND</b>				
<b>Assets</b>				
Cash	\$ 7,320	\$ 16,000	\$ 15,625	\$ 7,695
<b>Total assets</b>	<b>\$ 7,320</b>	<b>\$ 16,000</b>	<b>\$ 15,625</b>	<b>\$ 7,695</b>
<b>Liabilities</b>				
Due to individuals	\$ 7,320	\$ 16,000	\$ 15,625	\$ 7,695
<b>Total liabilities</b>	<b>\$ 7,320</b>	<b>\$ 16,000</b>	<b>\$ 15,625</b>	<b>\$ 7,695</b>

(continued)

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF CIRCUIT COURT**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**For the Fiscal Year Ended September 30, 2016**

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
<b>PUBLIC DEFENDER</b>				
<b>OCCUPANCY TRUST FUND</b>				
<b>Assets</b>				
Cash	\$ 21,782	\$ 60,614	\$ 64,856	\$ 17,540
Total assets	<u>\$ 21,782</u>	<u>\$ 60,614</u>	<u>\$ 64,856</u>	<u>\$ 17,540</u>
<b>Liabilities</b>				
Other current liabilities	\$ 21,782	\$ 60,614	\$ 64,856	\$ 17,540
Total liabilities	<u>\$ 21,782</u>	<u>\$ 60,614</u>	<u>\$ 64,856</u>	<u>\$ 17,540</u>
 <b>TOTALS - ALL FUNDS</b>				
<b>Assets</b>				
Cash	\$ 954,120	\$ 7,667,984	\$ 7,559,096	\$ 1,063,008
Accounts receivable	13,398	3,057	2,591	13,864
Total assets	<u>\$ 967,518</u>	<u>\$ 7,671,041</u>	<u>\$ 7,561,687</u>	<u>\$ 1,076,872</u>
<b>Liabilities</b>				
Due to individuals	\$ 475,897	\$ 770,023	\$ 640,468	\$ 605,452
Due to other funds	164,641	9,171,537	9,157,485	178,693
Due to Board of County Commissioners	42,506	484,617	489,937	37,186
Due to other governmental units	170,879	4,301,928	4,318,134	154,673
Deposits	71,288	201,166	211,644	60,810
Other current liabilities	42,307	91,815	94,064	40,058
Total liabilities	<u>\$ 967,518</u>	<u>\$ 15,021,086</u>	<u>\$ 14,911,732</u>	<u>\$ 1,076,872</u>

See notes to financial statements.

## **COMPLIANCE SECTION**



**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**

To the Clerk of the Circuit Court  
Columbia 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 special purpose financial statements of the Columbia County Clerk of the Circuit Court as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Columbia County Clerk of the Circuit Court's basic financial statements, and have issued our report thereon dated March 6, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Columbia County Clerk of Court'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 Columbia County Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Columbia County Clerk of Court'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.

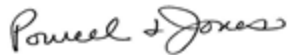
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Columbia County Clerk of the Circuit Court'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.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 6, 2017

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Clerk of the Circuit Court  
Columbia County, Florida

We have audited the financial statements of the Columbia County Clerk of the Circuit Court (the Clerk), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 6, 2017. We have also issued our report on compliance and on internal control over financial reporting. 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 YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

**AUDITOR GENERAL COMPLIANCE MATTERS**

Annual Local Government Financial Report – The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2016. The financial statements of the Clerk of the Circuit Court are combined with other County agencies in this report.

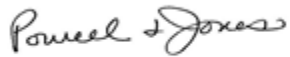
Financial Emergency Status – We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

## **CONCLUSION**

We have reviewed information regarding our audit with the Clerk of the Circuit Court and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Clerk of the Circuit Court's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script that reads "Powell & Jones".

## **POWELL & JONES**

Certified Public Accountants

March 6, 2017

## INDEPENDENT ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court  
Columbia County, Florida

We have examined the Columbia County, Florida's Clerk of the Circuit Court's (Clerk's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. We have also examined the Clerk's compliance with Sections 28.35 and 28.36, *Florida Statutes* as to the following during the fiscal year ended September 30, 2016:

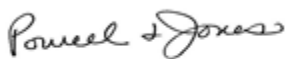
- c. The budget certified by the Florida Clerk of Courts Operations Corporation.
- d. The performance standards developed and certified to Section 28.35 *Florida Statutes*.

Management is responsible for the Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examinations.

Our examinations were 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 Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Columbia County Clerk of the Circuit Court 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 Columbia County, Florida, the Clerk, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**POWELL & JONES**  
Certified Public Accountants  
March 6, 2017

# P. DeWitt Cason

Clerk of Circuit Court - Columbia County, Florida



May 31, 2017

Mr. Richard C. Powell, CPA  
Powell and Jones, CPA's  
1359 SW Main Blvd.  
Lake City, FL 32025

Dear Mr. Powell:

This letter is to confirm that I have received the Management Letter, prepared by your firm, for our financial statement audit for the fiscal year ended September 30, 2016.

We were glad to see that there were no reportable findings for this audit period. As always, we enjoyed the challenges associated with this year's audit and appreciate the professionalism of you and your staff.

Sincerely,

P. DeWitt Cason  
Columbia County Clerk of Courts

**PROPERTY APPRAISER**

**COLUMBIA COUNTY, FLORIDA**

**PROPERTY APPRAISER**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2016**

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
Independent Auditor's Report	<b>135 - 136</b>
<b>FINANCIAL STATEMENTS</b>	
General Fund	
Balance Sheet	<b>138</b>
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	<b>139</b>
Notes to Financial Statements	<b>140 - 142</b>
<b>COMPLIANCE SECTION</b>	
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 <i>Government Auditing Standards</i>	<b>144 - 145</b>
Management Letter	<b>146 - 147</b>
Independent Accountant's Report	<b>148</b>





**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1359 S.W. Main Blvd.  
Lake City, Florida 32025  
386 / 755-4200  
Fax: 386 / 719-5504  
admin@powellandjonescpa.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Property Appraiser  
Columbia County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose financial statements of the Columbia County Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these special purpose 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.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

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

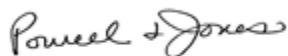
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser is part of the reporting entity Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the recording entity's basic financial statements.

### **Opinion**

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Property Appraiser, as of September 30, 2016, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2017, on our consideration of the Property Appraiser'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 Property Appraiser's internal control over financial reporting and compliance.



**POWELL & JONES**  
Certified Public Accounts  
March 27, 2017

## **FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**PROPERTY APPRAISER  
GENERAL FUND  
BALANCE SHEET  
September 30, 2016**

**ASSETS**

Cash	\$ 59,217
Total assets	<u>\$ 59,217</u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Current liabilities	
Due to Board of County Commissioners	\$ 54,716
Due to other governmental units	<u>4,501</u>
Total liabilities and fund balance	<u>\$ 59,217</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
PROPERTY APPRAISER  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>				
Charges for services				
General government				
County officer fees				
Lake Shore Hospital Authority	\$ 68,372	\$ 68,372	\$ 68,372	\$ -
Suwannee River Water				
Management District	29,486	29,486	29,486	-
Total charges for services	<u>97,858</u>	<u>97,858</u>	<u>97,858</u>	<u>-</u>
Miscellaneous				
Interest earnings	-	-	111	111
Other miscellaneous	-	-	11,401	11,401
Total miscellaneous	<u>-</u>	<u>-</u>	<u>11,512</u>	<u>11,512</u>
Total revenues	<u>97,858</u>	<u>97,858</u>	<u>109,370</u>	<u>11,512</u>
<b>EXPENDITURES</b>				
General government				
Financial and administrative				
Personnel services	1,132,286	1,168,661	1,161,193	7,468
Operating expenses	183,824	183,824	159,458	24,366
Capital outlay	2,524	15,169	3,071	12,098
Total expenditures	<u>1,318,634</u>	<u>1,367,654</u>	<u>1,323,722</u>	<u>43,932</u>
Excess of revenues over (under) expenditures	(1,220,776)	(1,269,796)	(1,214,352)	55,444
<b>OTHER FINANCING SOURCES</b>				
Transfers from Board of County Commissioners	<u>1,220,776</u>	<u>1,269,796</u>	<u>1,214,352</u>	<u>(55,444)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the Columbia County Property Appraiser (Property Appraiser).

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39, "Determining Whether Certain Organizations are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Property Appraiser, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Property Appraiser's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as a part of the primary government of Columbia County, Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Property Appraiser are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. 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 entity, 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 funds and account group utilized by the Property Appraiser are as follows:

(i) **Governmental Fund**

**General Fund** - The General Fund of the Property Appraiser is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

**C. Basis of Accounting** - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Property Appraiser currently maintains his accounting records on the cash basis. However, for financial statement purposes appropriate adjustments are made to report the governmental fund type using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Property Appraiser.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the operating budget of the Property Appraiser. The Property Appraiser's budget is also subject to approval by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Property Appraiser, which was amended during the year.

**E. Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2016, the book balance of the Property Appraiser's deposits was \$59,217. The total bank balance was covered by federal depository insurance.

**F. Inventories** - It is the policy of the Property Appraiser to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in the Property Appraiser's operations are accounted for in the Board of County Commissioner's general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation on equipment is provided on the straight-line basis over useful lives of three to twelve years.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the Board of County Commissioners fund that will pay for them. The remainder of the compensated absences liability, totaling \$116,634, is reported in the General Long-Term Debt Accounts of Columbia County.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**J. Risk Management** - The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others.

The Property Appraiser directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

**NOTE 3. PENSION PLAN**

**Plan Description** - The Property Appraiser contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

**Funding Policy** - The System is employee non-contributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The rates at September 30, 2016 were as follows: Regular Employees 7.52%; Senior Management 21.77%; Elected Officials 42.47% and Deferred Retirement Option Program (DROP) 12.99%. The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Property Appraiser's contributions to the System for the years ending September 30, 2016, 2015 and 2014 were \$102,890, \$100,881, and \$93,165, respectively equal to the required contributions for each year.

**NOTE 4. OPERATING LEASE**

The Property Appraiser has an operating lease with Pitney Bowes for a postage meter. The agreement is being paid in sixteen quarterly installments of \$330. Future minimum lease payments are as follows:

Year Ending September 30	
2017	\$ 1,320
2018	990
	<u>\$ 2,310</u>

The Property Appraiser has an operating lease with GE Capital dated September 25, 2013 for a copier. The agreement is being made in 60 monthly installments of \$273. Future minimum lease payments are as follows:

Year Ending September 30	
2017	\$ 3,276
2018	3,276
	<u>\$ 6,552</u>

Lease expense for the year was \$6,021.



## **COMPLIANCE SECTION**

**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**

To the Property Appraiser  
Columbia 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 governmental activities of the Columbia County Property Appraiser, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Columbia County Property Appraiser's basic financial statements, and have issued our report thereon dated March 27, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Columbia County Property Appraiser'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 Columbia County Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Property Appraiser'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.

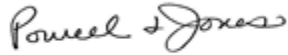
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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 Columbia County Property Appraiser'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.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 27, 2017

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Property Appraiser  
Columbia County, Florida

We have audited the financial statements of the Columbia County Property Appraiser, as of and for the year ended September 30, 2016, and have issued our report thereon dated March 27, 2017.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated March 27, 2017. Disclosures in 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 YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

**FINANCIAL COMPLIANCE MATTERS**

Annual Local Government Financial Report – The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2016. The financial statements of the Property Appraiser are combined with other County agencies in this report.

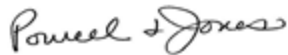
Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

## **CONCLUSION**

We have reviewed information regarding our audit with the Property Appraiser and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Property Appraiser's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 27, 2017

## INDEPENDENT ACCOUNTANT'S REPORT

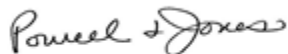
To The Property Appraiser  
Columbia County, Florida

We have examined the Columbia County, Florida Property Appraiser's (the Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser'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 Property Appraiser'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 Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser 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 the Columbia County, Florida Property Appraiser, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**POWELL & JONES**  
Certified Public Accountants  
March 27, 2017

# JEFF HAMPTON, C.F.A.

PROPERTY APPRAISER - COLUMBIA COUNTY, FLORIDA



June 1, 2017

Richard Powell  
Powell and Jones, CPA's  
1359 SW Main Blvd.  
Lake City, FL 32025

RE: Management Letter-Audit for Year Ended September 30, 2016

Dear Mr. Powell:

Thank you for the Management letter regarding the audit your office conducted on the Columbia County Property Appraiser's office for year ended September 30, 2016.

I have noted that there were no reportable findings in the prior or current year. Thanks again and we look forward to working with your office in the future.

Sincerely,



Jeff Hampton, CFA  
Property Appraiser

Cc: Ben Scott, Assistant County Manager

**SHERIFF**



**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2016**

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
Independent Auditor's Report	<b>152 - 153</b>
<b>COMBINED FINANCIAL STATEMENTS</b>	
Combined Balance Sheet - All Fund Types	<b>155</b>
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	<b>156</b>
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types	<b>157</b>
Notes to Financial Statements	<b>158 - 162</b>
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS</b>	
<b>GENERAL FUND</b>	
Balance Sheet	<b>165</b>
Statement of Revenues, Expenditures and Changes In Fund Balance - Budget and Actual	<b>166 - 168</b>
<b>SPECIAL REVENUE FUNDS</b>	
Combining Balance Sheet	<b>170</b>
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	<b>171 - 172</b>
<b>AGENCY FUNDS</b>	
Combining Balance Sheet	<b>174</b>
Combining Statement of Changes in Assets and Liabilities	<b>175</b>

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2016**

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
<b>COMPLIANCE SECTION</b>	
Schedule of Expenditures of Federal Awards	177
Notes to the Schedule of Expenditures of Federal Awards	178
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 <i>Government Auditing Standards</i>	179 - 180
Management Letter	181 - 182
Independent Accountant's Report	183



**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1359 S.W. Main Blvd.  
Lake City, Florida 32025  
386 / 755-4200  
Fax: 386 / 719-5504  
admin@powellandjonescpa.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Sheriff  
Columbia County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose fund financial statements of the Columbia County Sheriff (the Sheriff), as of and for the year ended September 30, 2016, 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 special purpose 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 or 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.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Sheriff is part of the reporting entity, Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

## **Opinion**

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Sheriff, as of September 30, 2016, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.


## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated March 30, 2017, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 Sheriff's internal control over financial reporting and on compliance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Columbia County, Florida Sheriff's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates 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 financial statements or to the 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 Information**

Our audit was made for the purpose of forming an opinion on the special purpose fund financial statements taken as a whole. The combining and individual fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



## **POWELL & JONES**

Certified Public Accountants

March 30, 2017

## **COMBINED FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**COMBINED BALANCE SHEET  
ALL FUND TYPES**

September 30, 2016

	<b>Governmental Funds</b>		<b>Fiduciary Fund Types</b>	
	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Agency Funds</b>	<b>Totals</b>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash	\$ 1,343,985	\$ 699,600	\$ 404,994	\$ 2,448,579
Accounts receivable	3,190	-	1,333,199	1,336,389
Insurance proceeds receivable	20,400	-	-	20,400
Due from other funds	3,910	29,751	-	33,661
Due from BCC	22,408			22,408
Due from other governmental units	31,573		-	31,573
Other receivables	1,528	4,098		5,626
Prepaid expenses	43,848	4,668	-	48,516
Total assets	<u>\$ 1,470,842</u>	<u>\$ 738,117</u>	<u>\$ 1,738,193</u>	<u>\$ 3,947,152</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 115,435	\$ 37,390	\$ -	\$ 152,825
Accrued liabilities	512,568	-	-	512,568
Due to individuals	-	-	6,775	6,775
Due to Board of County Commissioners	842,839	-	6,880	849,719
Deferred revenue	-	-	-	-
Due to other funds	-	-	33,661	33,661
Other current liabilities	-	-	1,690,877	1,690,877
Total current liabilities	<u>1,470,842</u>	<u>37,390</u>	<u>1,738,193</u>	<u>3,246,425</u>
<b>FUND BALANCES</b>				
Fund balances restricted	-	700,727	-	700,727
Total liabilities and fund balances	<u>\$ 1,470,842</u>	<u>\$ 738,117</u>	<u>\$ 1,738,193</u>	<u>\$ 3,947,152</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES**

For the Fiscal Year Ended September 30, 2016

	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Totals</b>
<b>REVENUES</b>			
Intergovernmental	\$ 69,328	\$ -	\$ 69,328
Charges for services	227,107	-	227,107
Fines and forfeitures	-	111,281	111,281
Miscellaneous	163,493	182,336	345,829
<b>Total revenues</b>	<b>459,928</b>	<b>293,617</b>	<b>753,545</b>
<b>EXPENDITURES</b>			
Current expenditures			
Public safety	12,830,333	137,884	12,968,217
Capital outlay			
Public safety	208,478	96,262	304,740
<b>Total expenditures</b>	<b>13,038,811</b>	<b>234,146</b>	<b>13,272,957</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(12,578,883)</b>	<b>59,471</b>	<b>(12,519,412)</b>
<b>Other Financing Sources/Uses</b>			
Transfers from Board of County Commissioners	12,540,370	-	12,540,370
Transfers from other funds	38,513	(38,513)	-
<b>Total other financing sources</b>	<b>12,578,883</b>	<b>(38,513)</b>	<b>12,540,370</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>20,958</b>	<b>20,958</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>679,769</b>	<b>679,769</b>
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ 700,727</b>	<b>\$ 700,727</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**SHERIFF**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES**  
**For the Fiscal Year Ended September 30, 2016**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ 69,328	\$ 69,328	\$ -	\$ -	\$ -
Charges for services	-	227,107	227,107	-	-	-
Fines and forfeitures	-	-	-	111,281	111,281	-
Miscellaneous	-	163,493	163,493	182,336	182,336	-
<b>Total revenue</b>	<b>-</b>	<b>459,928</b>	<b>459,928</b>	<b>293,617</b>	<b>293,617</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current expenditures						
Public safety	13,147,201	12,830,333	316,868	137,884	137,884	-
Capital outlay						
Public safety	225,250	208,478	16,772	96,262	96,262	-
<b>Total expenditures</b>	<b>13,372,451</b>	<b>13,038,811</b>	<b>333,640</b>	<b>234,146</b>	<b>234,146</b>	<b>-</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(13,372,451)</b>	<b>(12,578,883)</b>	<b>793,568</b>	<b>59,471</b>	<b>59,471</b>	<b>-</b>
<b>Other Financing Sources</b>						
Transfers from Board of County Commissioners	13,372,451	12,540,370	(832,081)	-	-	-
Transfers from other funds	-	38,513	38,513	-	-	-
Transfers to other funds	-	-	-	(38,513)	(38,513)	-
<b>Total other financing sources</b>	<b>13,372,451</b>	<b>12,578,883</b>	<b>(793,568)</b>	<b>(38,513)</b>	<b>(38,513)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,958</b>	<b>20,958</b>	<b>-</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>679,769</b>	<b>679,769</b>	<b>-</b>
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 700,727</b>	<b>\$ 700,727</b>	<b>\$ -</b>

See notes to financial statements.



**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Columbia County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Sheriff are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. 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 entity, revenues and expenditures. Governmental 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 funds and account group utilized by the Sheriff are as follows:

**(i) Governmental Funds**

**General Fund** - The General Fund of the Sheriff is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2016, the Sheriff maintained the following Special Revenue Funds:

Minimum Standards School  
Forfeiture  
Inmate Welfare  
Forfeiture - Non Grant  
Work Program  
Region 2 Strike Force

(ii) **Fiduciary Funds**

**Agency Funds** - Agency Funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following Agency Funds are maintained by the Sheriff:

Inmate Trust  
Individual Depositors Trust  
Evidence Trust  
Donations Trust

**C. Basis of Accounting** - The "Basis of Accounting" refers to when revenues and expenditures, and the related assets and liabilities, are recognized in the accounting records and reported in the financial statements. The Sheriff currently maintains his accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Sheriff.

**E. Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash."

At September 30, 2016, the book balance of the Sheriff's deposits were \$2,448,579. The bank balances were \$2,498,953. These balances were covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

The collateral for the Sheriff's deposits is categorized to give an indication of the level of risk assumed by the Sheriff at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Sheriff or his agent in the Sheriff's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Sheriff's name.

Bank Deposit Covered by	Category			Bank Balance
	1	2	3	
Eligible collateral	\$ -	\$1,957,279	\$ -	\$1,957,279
FDIC Insurance	541,674	-	-	541,674
Total deposits	<u>\$ 541,674</u>	<u>\$1,957,279</u>	<u>\$ -</u>	<u>\$2,498,953</u>

**F. Inventories** - It is the policy of the Sheriff to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for them. The remainder of the compensated absences liability, of \$1,031,440, is reported in the general long-term debt accounts of the Board of County Commissioners.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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

## **NOTE 2. CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance 10/01/15	Donations & Other	Additions	Deletions	Balance 09/30/16
Equipment	\$6,959,892	\$ -	\$ 304,740	\$ 556,168	\$6,708,464

## **NOTE 3. PENSION PLAN**

**Plan Description** - The Sheriff contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

**Funding Policy** - The System is employee noncontributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The Sheriff is required to contribute at an actuarially determined rate. The rates at September 30, 2016 were as follows: Regular Employees 7.52%; Special Risk Employees 28.06%; Senior Management 21.77%; Elected Officials 42.47%, and employees electing the DROP program 12.99%. The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2016, 2015 and 2014 were \$1,333,471, \$1,224,419, and \$1,099,966, respectively, which are equal to the required contributions for each year.

#### **NOTE 4. CONTINGENT LIABILITIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Sheriff and Board of County Commissioners expect such amounts, if any, to be immaterial.

The Sheriff is defendant in various pending or threatened litigation. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Sheriff's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the Sheriff.

#### **NOTE 5. RISK MANAGEMENT**

The Sheriff participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the Sheriff entity risk pool pays annual premiums to the pools for its insurance coverages. The agreements for formation of the pools provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specific amounts.

The Sheriff continues to carry commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The pooling agreements allow for the pools to make additional assessments to make the pools self-sustaining. It is not possible to estimate the amount of such additional assessments, which might have to be paid by the Sheriff.

The pooling agreements require the pool to be self-sustaining. It is not possible to estimate the amount of losses, which might have to be borne by the Sheriff.

#### **NOTE 6. UNEARNED REVENUE**

The Sheriff reports unearned revenue, if applicable, on the combined balance sheet. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

**NOTE 7. OPERATING LEASES**

The Sheriff has several operating lease agreements for property and equipment with noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$50,557. The future minimum payments under these leases at September 30, 2016, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2017	53,601
2018	48,777
2019	27,939
2020	18,590
2021	-
	<u><u>\$ 148,907</u></u>

**NOTE 8. FUND BALANCES – GOVERNMENTAL FUNDS**

As of September 30, 2016, fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** – amounts that can be used only for specific purposes determined by a formal action of the governing body. Commitments may be established, modified, or rescinded only through resolutions approved by the governing body.

**Assigned** – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Sheriff.

**Unassigned** - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2016:

	Classification					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
Special Revenue Funds						
Minimum Standards School	\$ -	\$ 27,962	\$ -	\$ -	\$ -	\$ 27,962
Forfeiture	-	27,154	-	-	-	27,154
Inmate Welfare	-	374,578	-	-	-	374,578
Forfeiture Nongrant	-	266,876	-	-	-	266,876
Work Program	-	4,157	-	-	-	4,157
	<u>\$ -</u>	<u>\$ 700,727</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700,727</u>

**COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS**

**GENERAL FUND**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**GENERAL FUND  
BALANCE SHEET**

**September 30, 2016**

**ASSETS**

**Current assets**

<b>Cash</b>	<b>\$ 1,343,985</b>
<b>Accounts receivable</b>	<b>3,190</b>
<b>Insurance Proceeds Receivable</b>	<b>20,400</b>
<b>Due from other funds</b>	<b>3,910</b>
<b>Due from BCC</b>	<b>22,408</b>
<b>Due from other governmental units</b>	<b>31,573</b>
<b>Other receivables</b>	<b>1,528</b>
<b>Prepaid expenses</b>	<b>43,848</b>
<b>Total assets</b>	<b><u>\$ 1,470,842</u></b>

**LIABILITIES**

**Liabilities**

<b>Accounts payable</b>	<b>\$ 115,435</b>
<b>Accrued liabilities</b>	<b>512,568</b>
<b>Due to Board of County Commissioners</b>	<b>842,839</b>
<b>Total liabilities</b>	<b><u>\$ 1,470,842</u></b>

See notes to financial statements.



**COLUMBIA COUNTY, FLORIDA**  
**SHERIFF**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Intergovernmental revenue				
Federal grants				
US Department of Justice	\$ -	\$ -	\$ 69,328	\$ 69,328
Charges for Services				
Public safety				
Police services	-	-	227,107	227,107
Miscellaneous				
Interest	-	-	1,372	1,372
Other	-	-	162,121	162,121
Total revenue	-	-	459,928	459,928
<b>EXPENDITURES</b>				
Administration				
Personnel services	1,019,717	997,342	996,648	694
Operating expenses	180,968	259,376	252,388	6,988
Capital outlay	-	2,500	2,153	347
Total administration	1,200,685	1,259,218	1,251,189	8,029
Road Patrol				
Personnel services	2,818,318	2,795,318	2,792,139	3,179
Operating expenses	697,090	564,446	479,827	84,619
Capital outlay	125,000	147,500	127,680	19,820
Total road patrol	3,640,408	3,507,264	3,399,646	107,618
Detective				
Personnel services	1,076,168	1,076,168	910,791	165,377
Operating expenses	154,618	154,618	122,930	31,688
Capital outlay	-	-	-	-
Total detective	1,230,786	1,230,786	1,033,721	197,065
Civil				
Personnel services	339,644	339,644	328,203	11,441
Operating expenses	63,100	63,100	41,174	21,926
Capital outlay	-	-	-	-
Total civil	402,744	402,744	369,377	33,367
Records Evidence				
Personnel services	212,511	212,511	205,975	6,536
Operating expenses	23,085	30,085	29,710	375
Capital outlay	-	-	-	-
Total records evidence	\$ 235,596	\$ 242,596	\$ 235,685	\$ 6,911

(Continued)

**COLUMBIA COUNTY, FLORIDA**  
**SHERIFF**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b>Communications</b>				
<b>Operating expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,629</b>	<b>\$ (15,629)</b>
<b>Corrections</b>				
<b>Personnel services</b>	<b>3,115,840</b>	<b>3,378,920</b>	<b>3,272,563</b>	<b>106,357</b>
<b>Operating expenses</b>	<b>1,079,932</b>	<b>1,145,187</b>	<b>1,144,160</b>	<b>1,027</b>
<b>Capital outlay</b>	<b>15,000</b>	<b>15,000</b>	<b>14,378</b>	<b>622</b>
<b>Total corrections</b>	<b>4,210,772</b>	<b>4,539,107</b>	<b>4,431,101</b>	<b>108,006</b>
<b>Sheriff Task Force</b>				
<b>Personnel services</b>	<b>294,415</b>	<b>365,745</b>	<b>414,575</b>	<b>(48,830)</b>
<b>Operating expenses</b>	<b>70,430</b>	<b>41,094</b>	<b>116,888</b>	<b>(75,794)</b>
<b>Capital outlay</b>	<b>-</b>	<b>1,250</b>	<b>1,215</b>	<b>35</b>
<b>Total Sheriff Task Force</b>	<b>364,845</b>	<b>408,089</b>	<b>532,678</b>	<b>(124,589)</b>
<b>Community Services</b>				
<b>Personnel services</b>	<b>611,654</b>	<b>611,654</b>	<b>583,767</b>	<b>27,887</b>
<b>Operating expenses</b>	<b>119,855</b>	<b>119,855</b>	<b>111,029</b>	<b>8,826</b>
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total community affairs</b>	<b>731,509</b>	<b>731,509</b>	<b>694,796</b>	<b>36,713</b>
<b>Bullet Proof Vest</b>				
<b>Operating expenses</b>	<b>-</b>	<b>-</b>	<b>8,400</b>	<b>(8,400)</b>
<b>Information Technology</b>				
<b>Operating expenses</b>	<b>88,903</b>	<b>160,903</b>	<b>160,392</b>	<b>511</b>
<b>Capital outlay</b>	<b>125,000</b>	<b>59,000</b>	<b>58,721</b>	<b>279</b>
<b>Total Information Technology</b>	<b>\$ 213,903</b>	<b>\$ 219,903</b>	<b>\$ 219,113</b>	<b>\$ 790</b>
<b>JAG Equipment Grant</b>				
<b>Operating expenses</b>	<b>-</b>	<b>-</b>	<b>13,247</b>	<b>(13,247)</b>
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>4,331</b>	<b>(4,331)</b>
<b>Total JAG equipment grant</b>	<b>-</b>	<b>-</b>	<b>17,578</b>	<b>(17,578)</b>
<b>Courts Judicial</b>				
<b>Personnel services</b>	<b>851,189</b>	<b>631,205</b>	<b>590,387</b>	<b>40,818</b>
<b>Operating expenses</b>	<b>100,000</b>	<b>58,424</b>	<b>58,313</b>	<b>111</b>
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total court judicial</b>	<b>951,189</b>	<b>689,629</b>	<b>648,700</b>	<b>40,929</b>

(Continued)

**COLUMBIA COUNTY, FLORIDA**  
**SHERIFF**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Fiscal Year Ended September 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
<b>WARRANTS</b>				
<b>Personnel services</b>	<b>134,881</b>	<b>134,881</b>	<b>132,399</b>	<b>2,482</b>
<b>Operating expenses</b>	<b>6,725</b>	<b>6,725</b>	<b>5,448</b>	<b>1,277</b>
<b>Total Stop</b>	<b>\$ 141,606</b>	<b>\$ 141,606</b>	<b>\$ 137,847</b>	<b>\$ 3,759</b>
<b>Crime Analyst Grant</b>				
<b>Personnel services</b>	-	-	<b>42,156</b>	<b>(42,156)</b>
<b>Operating expenses</b>	-	-	<b>1,195</b>	<b>(1,195)</b>
<b>Total JAG equipment grant</b>	-	-	<b>43,351</b>	<b>(43,351)</b>
<b>Total expenditures</b>	<b>13,324,043</b>	<b>13,372,451</b>	<b>13,038,811</b>	<b>333,640</b>
<b>Excess of revenues over (under)</b>				
<b>expenditures</b>	<b>(13,324,043)</b>	<b>(13,372,451)</b>	<b>(12,578,883)</b>	<b>793,568</b>
<b>Other financing sources</b>				
<b>Transfers from the Board of</b>				
<b>County Commissioners</b>	<b>13,324,043</b>	<b>13,372,451</b>	<b>12,540,370</b>	<b>(832,081)</b>
<b>Transfers from other funds</b>	-	-	<b>38,513</b>	<b>38,513</b>
<b>Total other financing sources</b>	<b>13,324,043</b>	<b>13,372,451</b>	<b>12,578,883</b>	<b>(793,568)</b>
<b>Net change in fund balance</b>	-	-	-	-
<b>Fund balance beginning of year</b>	-	-	-	-
<b>Fund balance end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to financial statements.

## **SPECIAL REVENUE FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
September 30, 2016**

	<b>Minimum Standards School</b>	<b>Forfeiture</b>	<b>Inmate Welfare</b>	<b>Forfeiture Nongrant</b>	<b>Work Program</b>	<b>Region 2 Strike Force</b>	<b>Totals</b>
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash	\$ 28,342	\$ 27,154	\$ 373,071	\$ 266,876	\$ 4,157	\$ -	\$ 699,600
Commissions receivable	-	-	4,098	-	-	-	4,098
Due from other funds	-	-	29,751	-	-	-	29,751
Prepaid Expenses	-	-	4,668	-	-	-	4,668
<b>Total current assets</b>	<b>\$ 28,342</b>	<b>\$ 27,154</b>	<b>\$ 411,588</b>	<b>\$ 266,876</b>	<b>\$ 4,157</b>	<b>\$ -</b>	<b>\$ 738,117</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 380	\$ -	\$ 37,010	\$ -	\$ -	\$ -	\$ 37,390
Deferred revenue	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>380</b>	<b>-</b>	<b>37,010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,390</b>
<b>FUND BALANCES - Restricted</b>	<b>27,962</b>	<b>27,154</b>	<b>374,578</b>	<b>266,876</b>	<b>4,157</b>	<b>-</b>	<b>700,727</b>
<b>Total liabilities and fund balances</b>	<b>\$ 28,342</b>	<b>\$ 27,154</b>	<b>\$ 411,588</b>	<b>\$ 266,876</b>	<b>\$ 4,157</b>	<b>\$ -</b>	<b>\$ 738,117</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
SHERIFF  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended September 30, 2016**

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Nongrant</u>	<u>Work Program</u>	<u>Region 2 Strike Force</u>	<u>Totals</u>
<b>REVENUES</b>							
Intergovernmental revenue							
Federal grant							
Drug eradication revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grant							
Legislative appropriation	-	-	-	-	-	-	-
Total intergovernmental revenue	-	-	-	-	-	-	-
Charges for services							
Public Safety							
Other public safety charges	-	-	-	-	-	-	-
Fines and forfeitures							
Court cases							
Confiscated property and restitution	-	18,130	-	78,787	-	-	96,917
Law enforcement education	14,364	-	-	-	-	-	14,364
Total fines and forfeitures	14,364	18,130	-	78,787	-	-	111,281
Miscellaneous							
Interest	31	34	178	287	1	-	531
Other miscellaneous							
Commissions	-	-	177,592	-	-	-	177,592
Other	-	-	-	-	4,213	-	4,213
Total miscellaneous	31	34	177,770	287	4,214	-	182,336
Total revenues	14,395	18,164	177,770	79,074	4,214	-	293,617
<b>EXPENDITURES</b>							
Public Safety							
Law enforcement							
Operating expenses	14,317	2,084	-	36,100	1,278	-	53,779
Capital outlay	-	29,419	-	66,843	-	-	96,262
Total law enforcement	\$ 14,317	\$ 31,503	\$ -	\$ 102,943	\$ 1,278	\$ -	\$ 150,041

(Continued)

**COLUMBIA COUNTY, FLORIDA**  
**SHERIFF**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended September 30, 2016**

	<b>Minimum Standards School</b>	<b>Forfeiture</b>	<b>Inmate Welfare</b>	<b>Forfeiture Nongrant</b>	<b>Work Program</b>	<b>Region 2 Strike Force</b>	<b>Totals</b>
<b>Detention and correction</b>							
Personnel services	\$ -	\$ -	\$ 14,027	\$ -	\$ -	\$ -	\$ 14,027
Operating expenses	-	-	70,078	-	-	-	70,078
Capital outlay	-	-	-	-	-	-	-
Total detention and correction	-	-	84,105	-	-	-	84,105
Total expenditures	<u>14,317</u>	<u>31,503</u>	<u>84,105</u>	<u>102,943</u>	<u>1,278</u>	<u>-</u>	<u>234,146</u>
<b>Excess of revenues over (under ) expenditures</b>	<u>78</u>	<u>(13,339)</u>	<u>93,665</u>	<u>(23,869)</u>	<u>2,936</u>	<u>-</u>	<u>59,471</u>
<b>Other Financing Uses</b>							
Transfers to other funds	-	-	(38,513)	-	-	-	(38,513)
	<u>78</u>	<u>(13,339)</u>	<u>55,152</u>	<u>(23,869)</u>	<u>2,936</u>	<u>-</u>	<u>20,958</u>
Net change in fund balances	<u>27,884</u>	<u>40,493</u>	<u>319,426</u>	<u>290,745</u>	<u>1,221</u>	<u>-</u>	<u>679,769</u>
Fund balances beginning of year	<u>\$ 27,962</u>	<u>\$ 27,154</u>	<u>\$374,578</u>	<u>\$266,876</u>	<u>\$ 4,157</u>	<u>\$ -</u>	<u>\$700,727</u>
Fund balances end of year							

See notes to financial statements.

## **AGENCY FUNDS**



**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 2016**

	<u>Inmate Trust</u>	<u>Individual Depositors</u>	<u>Evidence Trust</u>	<u>Donations Trust</u>	<u>Totals</u>
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	\$ 376,281	\$ 6,880	\$ 15,867	\$ 5,966	\$ 404,994
Accounts receivable	1,333,199	-	-	-	1,333,199
<b>Total current assets</b>	<u>\$ 1,709,480</u>	<u>\$ 6,880</u>	<u>\$ 15,867</u>	<u>\$ 5,966</u>	<u>\$ 1,738,193</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Due to individuals	\$ 6,775	\$ -	\$ -	\$ -	\$ 6,775
Due to Board of County Commissioners	-	6,880	-	-	6,880
Due to other funds	33,661				33,661
Other current liabilities	1,669,044	-	15,867	5,966	1,690,877
<b>Total current liabilities</b>	<u>\$ 1,709,480</u>	<u>\$ 6,880</u>	<u>\$ 15,867</u>	<u>\$ 5,966</u>	<u>\$ 1,738,193</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**For the Fiscal Year Ended September 30, 2016**

	<u>Balance Oct. 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Sept. 30, 2016</u>
<b>INMATE TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 381,279	\$ 524,506	\$ 529,504	\$ 376,281
Due from Individuals	803,445	529,754	-	1,333,199
<b>Total assets</b>	<u>\$ 1,184,724</u>	<u>\$ 1,054,260</u>	<u>\$ 529,504</u>	<u>\$ 1,709,480</u>
<b>LIABILITIES</b>				
Due to Individuals	\$ 5,861	\$ 94,663	\$ 95,577	\$ 6,775
Due to other funds	-	-	33,661	33,661
Other current liabilities	1,178,863	636,434	1,126,615	1,669,044
<b>Total liabilities</b>	<u>\$ 1,184,724</u>	<u>\$ 731,097</u>	<u>\$ 1,255,853</u>	<u>\$ 1,709,480</u>
<b>INDIVIDUAL DEPOSITORS</b>				
<b>ASSETS</b>				
Cash	\$ 6,853	\$ 90,407	\$ 90,380	\$ 6,880
<b>Total assets</b>	<u>\$ 6,853</u>	<u>\$ 90,407</u>	<u>\$ 90,380</u>	<u>\$ 6,880</u>
<b>LIABILITIES</b>				
Individual depositors liability	\$ 1,500	\$ 10,500	\$ 9,000	\$ -
Due to Board of County Commissioners	5,353	79,881	81,408	6,880
<b>Total liabilities</b>	<u>\$ 6,853</u>	<u>\$ 90,381</u>	<u>\$ 90,408</u>	<u>\$ 6,880</u>
<b>EVIDENCE TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 95,841	\$ 88,458	\$ 168,432	\$ 15,867
<b>Total assets</b>	<u>\$ 95,841</u>	<u>\$ 88,458</u>	<u>\$ 168,432</u>	<u>\$ 15,867</u>
<b>LIABILITIES</b>				
Other current liabilities	\$ 95,841	\$ 168,432	\$ 88,458	\$ 15,867
<b>Total liabilities</b>	<u>\$ 95,841</u>	<u>\$ 168,432</u>	<u>\$ 88,458</u>	<u>\$ 15,867</u>
<b>DONATIONS TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 7,189	\$ 39,188	\$ 40,411	\$ 5,966
<b>Total assets</b>	<u>\$ 7,189</u>	<u>\$ 39,188</u>	<u>\$ 40,411</u>	<u>\$ 5,966</u>
<b>LIABILITIES</b>				
Other current liabilities	\$ 7,189	\$ 40,411	\$ 39,188	\$ 5,966
<b>Total liabilities</b>	<u>\$ 7,189</u>	<u>\$ 40,411</u>	<u>\$ 39,188</u>	<u>\$ 5,966</u>
<b>TOTALS-ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash	\$ 491,162	\$ 742,559	\$ 828,727	\$ 404,994
Due from Individuals	803,445	529,754	-	1,333,199
<b>Total assets</b>	<u>\$ 1,294,607</u>	<u>\$ 1,272,313</u>	<u>\$ 828,727</u>	<u>\$ 1,738,193</u>
<b>LIABILITIES</b>				
Individual depositors liability	\$ 1,500	\$ 10,500	\$ 9,000	\$ -
Due to Individuals	5,861	94,663	95,577	6,775
Due to other funds	-	-	33,661	33,661
Due to Board of County Commissioners	5,353	79,881	81,408	6,880
Other current liabilities	1,281,893	845,277	1,254,261	1,690,877
<b>Total liabilities</b>	<u>\$ 1,294,607</u>	<u>\$ 1,030,321</u>	<u>\$ 1,473,907</u>	<u>\$ 1,738,193</u>

## **COMPLIANCE SECTION**

**COLUMBIA COUNTY FLORIDA  
SHERIFF  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Fiscal Year Ended September 30, 2015**

<b>Federal and State Grantor/Pass Through Grantor Program Title</b>	<b>CFDA#</b>	<b>GRANT #</b>	<b>PROGRAM OR AWARD AMOUNT</b>	<b>REPORTED IN PRIOR YEARS</b>	<b>(ACCRUED) / UNEARNED IN PRIOR YEAR</b>	<b>REVENUES RECOGNIZED</b>	<b>EXPENDITURES</b>	<b>ACCRUED / (UNEARNED) 9/30/2015</b>
<b>FEDERAL AWARDS</b>								
<b>US Department of Justice</b>								
<b>Bureau of Justice Assistance/Office of Criminal Justice Grants</b>								
Bulletproof Vest Grant	16.607	FY2014	\$ 8,071	\$ 4,862	\$ -	\$ 3,209	\$ 3,209	\$ -
Bulletproof Vest Grant	16.607	FY2015	5,813	-	-	5,191	5,191	-
			<u>13,884</u>	<u>4,862</u>	<u>-</u>	<u>8,400</u>	<u>8,400</u>	<u>-</u>
<b>U.S. Drug Enforcement Administration passed through Florida Department of Law Enforcement</b>								
E. Byrne Memorial Justice Assistance Grant	16.738	2015-DJ-BX-0311	17,716	-	-	17,578	17,578	-
			<u>17,716</u>	<u>-</u>	<u>-</u>	<u>17,578</u>	<u>17,578</u>	<u>-</u>
Total US Department of Justice			<u>31,600</u>	<u>4,862</u>	<u>-</u>	<u>25,978</u>	<u>25,978</u>	<u>-</u>
<b>U.S. Department of Homeland Security passed through State of Florida Division of Emergency Management</b>								
Homeland Security Grant Program - Crime Analyst Grant	97.067	15-DS-P4-03-22-01-487	33,750	12,490	-	10,552	10,552	-
Homeland Security Grant Program - Crime Analyst Grant	97.067	16-DS-T9-03-22-01-304	58,000	-	-	32,798	32,798	-
Total U.S. Department of Homeland Security			<u>91,750</u>	<u>12,490</u>	<u>-</u>	<u>43,350</u>	<u>43,350</u>	<u>-</u>
Total Federal Awards			<u>\$ 123,350</u>	<u>\$ 17,352</u>	<u>\$ -</u>	<u>\$ 69,328</u>	<u>\$ 69,328</u>	<u>\$ -</u>

See notes to the Schedule of Expenditures of Federal Awards.

**COLUMBIA COUNTY, FLORIDA  
SHERIFF**

Notes to Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended September 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and presentation of the special purpose financial statements of the Columbia County, Florida Sheriff have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations and Office of Management and Budget *Uniform Guidance*.

**! Reporting Entity**

The Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Columbia County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Sheriff are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. Basis of Accounting**

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

The modified accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards. Under the modified accrual basis, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Columbia County Sheriff considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**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**

To the Sheriff  
Columbia 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 special purpose financial statements of the Columbia County Sheriff as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Columbia County Sheriff's special purpose financial statements, and have issued our report thereon dated March 30, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Columbia County Sheriff'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 Columbia County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Columbia County Sheriff'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 Columbia County Sheriff'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.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 30, 2017

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Sheriff  
Columbia County, Florida

We have audited the special purpose fund financial statements of the Columbia County Sheriff, as of and for the year ended September 30, 2016, and have issued our report thereon dated March 30, 2017.

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, and Chapter 10.550, *Rules of the Florida Auditor General*.

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in this report which is dated June 4, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. The Letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

Section 10.554(l)(i)l., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior findings or recommendations.

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

**AUDITOR GENERAL COMPLIANCE MATTERS**

Annual Report of Units of Local Government - The financial report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is an agreement with the audited special purpose fund financial statements of Columbia County, Florida, for the year ended September 30, 2016. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

Financial Emergency Status - We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

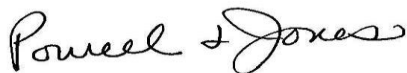


Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(7)(c). and 10.556(7), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

## **CONCLUSION**

We have reviewed information regarding our audit with the Sheriff and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Sheriff's Office. We appreciate the overall high quality of the financial records and personnel in the Sheriff's Office. We also appreciate the helpful assistance, professionalism and courtesy afforded us by these employees.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 30, 2017

## INDEPENDENT ACCOUNTANT'S REPORT

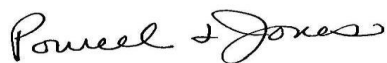
To The Sheriff  
Columbia County, Florida

We have examined the Columbia County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff'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 Sheriff'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 Sheriff's compliance with specified requirements.

In our opinion, the Sheriff 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 the Columbia County, Florida Sheriff, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**POWELL & JONES**  
Certified Public Accountants  
March 30, 2017



# Sheriff Mark Hunter

## COLUMBIA COUNTY SHERIFF'S OFFICE

4917 US Hwy. 90 East • Lake City, Florida 32055-6288  
[www.columbiasheriff.org](http://www.columbiasheriff.org)

April 12, 2017

Mr. Richard C. Powell, Jr. CPA  
Powell and Jones CPAs  
1359 SW Main Blvd  
Lake City, Florida 32025

Dear Mr. Powell,

In response to your management letter regarding the financial audit of the Columbia County Sheriff's Office for the fiscal year ended September 30, 2016, I am again pleased to accept your letter with no reportable findings. The staff and employees of the Sheriff's Office continue to work hard to ensure that this office operates effectively with regards to the duties we are entrusted with but also with the highest degree of accountability possible.

Thank you too, and the staff of Powell and Jones, for the professional and timely manner in which the audit was conducted. It has been our pleasure working with you all.

Sincerely,

A handwritten signature in black ink that reads "Mark Hunter". The signature is stylized with a cursive font.

Mark Hunter  
Sheriff, Columbia County

## **SUPERVISOR OF ELECTIONS**

**COLUMBIA COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2016**

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
Independent Auditor's Report	<b>186 - 187</b>
<b>FINANCIAL STATEMENTS</b>	
General Fund Balance Sheet	<b>189</b>
General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	<b>190</b>
Notes to Financial Statements	<b>191 - 193</b>
<b>COMPLIANCE SECTION</b>	
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 <i>Government Auditing Standards</i>	<b>195 - 196</b>
Management Letter	<b>197 - 198</b>
Independent Accountant's Report	<b>199</b>



**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1359 S.W. Main Blvd.  
Lake City, Florida 32025  
386 / 755-4200  
Fax: 386 / 719-5504  
admin@powellandjonescpa.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Supervisor of Elections  
Columbia County, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Columbia County Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' 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 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.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

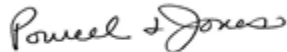
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of Elections is part of the reporting entity Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the recording entity's basic financial statements.

### **Opinion**

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Supervisor of Elections, as of September 30, 2016, and the results of its operations and budgetary comparison for the year there ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2017, on our consideration of the Supervisor of Elections' 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 Supervisor of Election's internal control over financial reporting and compliance.



**POWELL & JONES**  
Certified Public Accounts  
March 8, 2017

## **FINANCIAL STATEMENTS**



**COLUMBIA COUNTY, FLORIDA**

**SUPERVISOR OF ELECTIONS  
GENERAL FUND  
BALANCE SHEET  
September 30, 2016**

**ASSETS**

**Current Assets**

Cash	\$	15,755
Accounts receivable		12,000
Total assets	\$	<u>27,755</u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

**Current Liabilities**

Accounts payable	\$	14,631
Due to Board of County Commissioners		13,124
Total liabilities		<u>27,755</u>
FUND BALANCE		-
Total liabilities and fund balance	\$	<u>27,755</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental			
Federal grants			
Voter education	\$ -	\$ 47,067	\$ 47,067
Total intergovernmental	-	47,067	47,067
Miscellaneous			
Other	-	22,037	22,037
Total miscellaneous	-	22,037	22,037
Total revenues	-	69,104	69,104
<b>EXPENDITURES</b>			
General government			
Other general government			
Supervisor of Elections			
Personnel services	419,177	425,371	(6,194)
Operating expenses	10,500	88,672	(78,172)
Total Supervisor of Elections	429,677	514,043	(84,366)
Elections			
Personnel services	141,500	27,993	113,507
Operating expenses	201,228	236,353	(35,125)
Capital outlay	73,800	123,796	(49,996)
Total elections	416,528	388,142	28,386
Total general government	846,205	902,185	(55,980)
Excess of revenues over (under) expenditures	(846,205)	(833,081)	13,124
<b>OTHER FINANCING SOURCES</b>			
Transfers in from Board of County Commissioners	846,205	846,205	-
Transfers out to Board of County Commissioners	-	(13,124)	(13,124)
Total other financing sources	846,205	833,081	(13,124)
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

See notes to financial statements

**COLUMBIA COUNTY, FLORIDA**

**SUPERVISOR OF ELECTIONS**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the Columbia County Supervisor of Elections (Supervisor of Elections).

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Supervisor of Elections, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Supervisor of Elections' Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as a part of the primary government of Columbia County, Florida. The Supervisor of Elections' financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Supervisor of Elections are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. 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 entity, 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 funds utilized by the Supervisor of Elections are as follows:

**(i) Governmental Fund**

**General Fund** - The General Fund of the Supervisor of Elections is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

**C. Basis of Accounting** - "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Supervisor of Elections currently maintains accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

The Supervisor of Elections reports deferred revenue, if applicable, on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and

“available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the operating budget of the Supervisor of Elections.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Supervisor of Elections.

**E. Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2016, the book balance of the Supervisor of Elections' deposits was \$15,755. The total balance was covered by federal depository insurance.

**F. Inventories** - It is the policy of the Supervisor of Elections to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Capital Assets** - Capital assets used in governmental fund type operations are accounted for in the Board of County Commissioners' general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Equipment of the Board is depreciated using the straight-line method over useful lives of three to twelve years.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability, totaling \$26,732, is reported in the General Long-Term Debt of Columbia County, Florida.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**J. Risk Management** - The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to and destruction to property of others. The Supervisor of Elections directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

**NOTE 2. PENSION PLAN**

**Plan Description** - The Supervisor of Elections contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

**Funding Policy** - The System is employee non-contributory through June 30, 2011. Effective July 1, 2011, employees must contribute 3% of their gross wages. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates at September 30, 2016, were as follows: Regular Employees 7.52%; Senior Management 21.77%; Elected Officials 42.47%, and employees electing the DROP Program 12.99%. The contribution requirements of plan members and the Supervisor of Elections are established and may be amended by the Florida Legislature. The Supervisor of Elections' contributions to the System for the years ending September 30, 2016, 2015 and 2014 were \$54,957, \$53,733, and \$52,521, respectively, equal to the required contributions for each year.

**NOTE 3. OPERATING LEASE PAYABLE**

The Supervisor of Elections has an operating lease with Xerox for one Xerox printer. The agreement is being paid in forty-eight monthly installments of \$305. Future minimum lease payments are as follows:

Year Ending September 30,	
2017	\$ 3,659
2018	3,659
2019	3,659
	<u>\$ 10,977</u>

Lease expense for the year was \$3,659.

## **COMPLIANCE SECTION**

**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**

To the Supervisor of Elections  
Columbia 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 governmental activities of the Columbia County Supervisor of Elections, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise Columbia County Supervisor of Elections' basic financial statements, and have issued our report thereon dated March 8, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Columbia County Supervisor of Elections' 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 Columbia County Supervisor of Election's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Supervisor of Elections' 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.

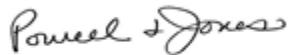
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Columbia County Supervisor of Elections' 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.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 8, 2017



**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Supervisor of Elections  
Columbia County, Florida

We have audited the financial statements of the Columbia County Supervisor of Elections, as of and for the year ended September 30, 2016, and have issued our report thereon dated March 8, 2017.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated March 8, 2017. Disclosures in 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 YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

**FINANCIAL COMPLIANCE MATTERS**

Annual Local Government Financial Report – The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2016. The financial statements of the Supervisor of Elections are combined with other County agencies in this report.

Financial Emergency Status – We have determined that the Supervisor of Elections did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

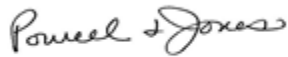
Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition

assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

## **CONCLUSION**

We have reviewed information regarding our audit with the Supervisor of Elections and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Supervisor of Elections' Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script that reads "Powell & Jones".

## **POWELL & JONES**

Certified Public Accountants

March 8, 2017

## INDEPENDENT ACCOUNTANT'S REPORT

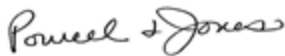
To the Honorable Supervisor of Elections  
Columbia County, Florida

We have examined the Columbia County, Florida Supervisor of Elections' (the Supervisor) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor'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 Supervisor'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 Supervisor's compliance with specified requirements.

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

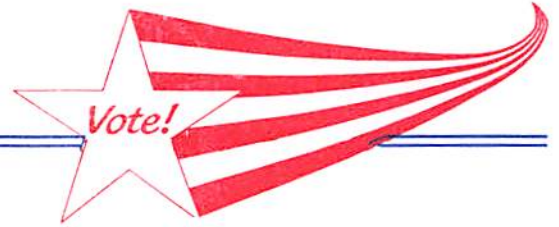
This report is intended solely for the information and use of the Columbia County, Florida Supervisor of Elections, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**POWELL & JONES**  
Certified Public Accountants  
March 8, 2017

# *Liz P. Horne*

SUPERVISOR OF ELECTIONS, COLUMBIA COUNTY



May 31, 2017

Powell and Jones, CPAs  
1359 SW Main Blvd  
Lake City, Florida 32025

To whom it may concern:

We accept our management letter and will continue to do things as required by the Auditor General Rules. We have enjoyed the experience of working with you.

Regards ,

Elizabeth "Liz" P. Horne  
Columbia County Supervisor of Elections

EPH/tb



Office (386) 758-1026 ★ Fax (386) 755-7233  
971 W. Duval Street, Suite 102 ★ Lake City, Florida 32055-3734  
[www.votecolumbia.com](http://www.votecolumbia.com) ★ Email: [election@votecolumbia.com](mailto:election@votecolumbia.com)

## **TAX COLLECTOR**

**COLUMBIA COUNTY, FLORIDA**  
**TAX COLLECTOR**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended September 30, 2016**

**TABLE OF CONTENTS**

	<b>PAGE NO.</b>
Independent Auditor's Report	202 - 203
<b>COMBINED FINANCIAL STATEMENTS</b>	
Combined Balance Sheet - All Fund types	205
General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	206
Notes to Financial Statements	207 - 210
<b>COMBINING FUND STATEMENTS</b>	
<b>AGENCY FUNDS</b>	
Combining Balance Sheet	213
Combining Statement of Changes in Assets and Liabilities	214 - 215
<b>COMPLIANCE SECTION</b>	
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 <i>Government Auditing Standards</i>	217 - 218
Management Letter	219 - 220
Independent Accountant's Report	221



**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1359 S.W. Main Blvd.  
Lake City, Florida 32025  
386 / 755-4200  
Fax: 386 / 719-5504  
admin@powellandjonescpa.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Tax Collector  
Columbia County, Florida

### **Report on the Financial Statements**

We have audited the accompanying special purpose financial statements of the Columbia County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2016, 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 special purpose 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.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

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

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting entity, Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

### **Opinion**

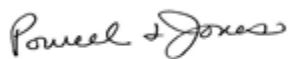
In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Tax Collector, as of September 30, 2016, and the respective changes in financial position and budgetary comparisons and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2017, on our consideration of the Tax Collector'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 Tax Collector's internal control over financial reporting and compliance.

### **Other Information**

Our audit was made for the purpose of forming an opinion on the special purpose financial statements taken as a whole. The combining fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Tax Collector. Such information has been submitted to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



**POWELL & JONES**  
Certified Public Accounts  
March 27, 2017



## **COMBINED FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**TAX COLLECTOR  
COMBINED BALANCE SHEET - ALL FUND TYPES  
September 30, 2016**

	<b>Governmental Fund Type</b>	<b>Fiduciary Fund Type</b>	
	<b>General Fund</b>	<b>Agency Funds</b>	<b>Totals</b>
<b>ASSETS</b>			
Current assets			
Cash	\$ 291,266	\$ 2,394,914	\$ 2,686,180
Accounts receivable	3,299	1,611	4,910
Due from other governmental units	-	152	152
Due from other funds	66,229	-	66,229
Total assets	<u>\$ 360,794</u>	<u>\$ 2,396,677</u>	<u>\$ 2,757,471</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	\$ 3,438	\$ 1,606	\$ 5,044
Due to individuals	-	201,904	201,904
Due to other funds	-	66,229	66,229
Due to Board of County Commissioners	321,092	-	321,092
Due to other governmental units	17,419	1,970,864	1,988,283
Accrued payroll deductions and matching	18,845	-	18,845
Other current liabilities	-	156,074	156,074
Total liabilities	<u>\$ 360,794</u>	<u>\$ 2,396,677</u>	<u>\$ 2,757,471</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
TAX COLLECTOR  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Charges for services				
County Officer commissions and fees				
Professional and occupational licenses	\$ -	\$ -	\$ 17,841	\$ 17,841
Motor vehicle fees	539,154	539,154	393,843	(145,311)
Drivers license fees	158,354	158,354	158,354	-
Concealed weapons fee	-	-	64,368	64,368
Other licenses and permits	-	-	3,665	3,665
State commissions	-	-	1,560	1,560
County commissions	731,358	731,358	746,062	14,704
Tax commissions				
Suwannee Water Management				
District	19,226	19,226	16,027	(3,199)
Lake Shore Hospital Authority	44,664	44,664	37,667	(6,997)
Delinquent tax commissions	-	-	199,253	199,253
Special assessment commissions	204,916	204,916	199,996	(4,920)
Special assessment administrative fees	-	-	97,504	97,504
Total charges for services	1,697,672	1,697,672	1,936,140	238,468
Miscellaneous				
Interest earnings	-	-	1,412	1,412
Other miscellaneous	-	-	7,510	7,510
Total miscellaneous	-	-	8,922	8,922
Total revenues	1,697,672	1,697,672	1,945,062	247,390
<b>EXPENDITURES</b>				
General government				
Personnel services	1,433,116	1,433,116	1,378,272	54,844
Operating expenses	264,556	257,983	239,126	18,857
Capital outlay	-	6,573	6,572	1
Total expenditures	1,697,672	1,697,672	1,623,970	73,702
(Continued)				
Excess of revenues over (under) expenditures	-	-	321,092	321,092
Other financing sources				
Transfers to Board of County Commissioners	-	-	(321,092)	(321,092)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**TAX COLLECTOR**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the Columbia County Tax Collector (Tax Collector).

**A. Reporting Entity** - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Tax Collector, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Tax Collector's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as a part of the primary government of Columbia County, Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose fund financial statements of the Tax Collector are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

**B. Fund Accounting** - Accounts are organized on the basis of funds and account groups, 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 entity, 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 funds and account group utilized by the Tax Collector are as follows:

- (i) **Governmental Fund**  
**General Fund** - The General Fund of the Tax Collector is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.
- (ii) **Fiduciary Fund**  
**Agency Funds** - Agency Funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other governments,

and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following Agency Funds are maintained by the Tax Collector.

Ad Valorem Tax Fund  
Tag Agency Fund

**C. Basis of Accounting** - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Tax Collector currently maintains his accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Tax Collector.

**D. Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes its funding of the operations of the Tax Collector. The operating budget of the Tax Collector is approved by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Tax Collector, as amended during the year.

**E. Cash** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash". At September 30, 2016, the book balance of the Tax Collector's deposits was \$2,681,880. Of this balance, \$250,000 was covered by federal depository insurance, and \$2,431,880 was covered by pledged collateral. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

The collateral for the Tax Collector's deposits is categorized to give an indication of the level of risk assumed by the Tax Collector at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Tax Collector or his agent in the Tax Collector's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Tax Collector's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Tax Collector's name. At year end, all of the Tax Collector's deposits were in Category 1.

The Tax Collector also has petty cash reserves in the amount of \$4,300.

**F. Inventories** - It is the policy of the Tax Collector to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation has been provided on the County's equipment on the straight-line basis over three to twelve years. Assets purchased by the Tax Collector are reported in the Board of County Commissioners' General Fixed Assets Accounts.

**H. Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$199,694 is reported in the General Long-Term Debt Accounts of Columbia County, Florida.

**I. Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**J. Risk Management** - The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Tax Collector directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

## **NOTE 2. PENSION PLAN**

**Plan Description** - The Tax Collector contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

**Funding Policy** - The System is employee noncontributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The Tax Collector is required to contribute at an actuarially determined rate. The rates at September 30, 2016 were as follows: Regular Employees 7.52%; Senior Management 21.77%; Elected Officials 42.47%; Deferred Retirement Option Program (DROP) 12.99%. The contribution requirements of plan members and

the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2016, 2015 and 2014 were \$142,834, \$148,234, and \$131,853, equal to the required contributions for each year.

### NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2016, were:

	Interfund Receivable	Interfund Payable
General Fund	\$ 66,229	\$ -
Ad Valorem Tax Fund	-	66,229
	<u>\$ 66,229</u>	<u>\$ 66,229</u>

### NOTE 4. OPERATING LEASES

The Tax Collector has an operating lease with Lanier Worldwide, Inc. for two copiers. The agreement is being paid in sixty monthly installments of \$192. Future minimum lease payments are as follows:

<u>September 30,</u>	
2017	\$ 2,305
2018	2,305
2019	2,305
2020	2,305
2021	963
	<u>\$ 10,183</u>

The Tax Collector has an operating lease with Mailfinance for a mail machine with scale. The agreement is being paid in 12 monthly installments of \$139. Future minimum lease payments are as follows;

<u>September 30,</u>	
2017	\$ 1,673
2018	1,673
2019	1,674
	<u>\$ 5,020</u>

Lease expense for the year was \$4,480.

## **COMBINING FUND STATEMENTS**



## **AGENCY FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**TAX COLLECTOR**

**AGENCY FUNDS**

**COMBINING BALANCE SHEET**

**September 30, 2016**

	<b>Ad Valorem Tax Fund</b>	<b>Tag Agency Fund</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash	\$ 2,226,981	\$ 167,933	\$ 2,394,914
Accounts receivable	706	905	1,611
Due from other governmental units	-	152	152
<b>Total assets</b>	<b>\$ 2,227,687</b>	<b>\$ 168,990</b>	<b>\$ 2,396,677</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,600	\$ 6	\$ 1,606
Due to individuals	201,904	-	201,904
Due to other funds	66,229	-	66,229
Due to other governmental units	1,818,876	151,988	1,970,864
Interest payable	1,762	-	1,762
Occupational licenses payable	80,571	-	80,571
Escrow funds payable	37,611	-	37,611
Other current liabilities	19,134	16,996	36,130
<b>Total liabilities</b>	<b>\$ 2,227,687</b>	<b>\$ 168,990</b>	<b>\$ 2,396,677</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
TAX COLLECTOR  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Fiscal Year Ended September 30, 2016**

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
<b>TAG AGENCY FUND</b>				
<b>Assets</b>				
Cash	\$ 163,273	\$ 7,767,297	\$ 7,762,637	\$ 167,933
Due from other governmental units	-	152	-	152
Dishonored checks receivable	654	13,864	13,613	905
<b>Total assets</b>	<b>\$ 163,927</b>	<b>\$ 7,781,313</b>	<b>\$ 7,776,250</b>	<b>\$ 168,990</b>
 <b>Liabilities</b>				
Accounts payable	\$ 3,556	\$ 30,018	\$ 33,580	\$ 6
Due to other governmental units	151,689	7,872,213	8,175,890	151,988
Other current liabilities	8,682	158,615	184,293	16,996
<b>Total liabilities</b>	<b>\$ 163,927</b>	<b>\$ 8,060,846</b>	<b>\$ 8,393,763</b>	<b>\$ 168,990</b>
 <b>AD VALOREM TAX FUND</b>				
<b>Assets</b>				
Cash	\$ 2,102,063	\$ 57,854,513	\$ 57,729,595	\$ 2,226,981
Dishonored checks receivable	-	81,844	81,138	706
<b>Total assets</b>	<b>\$ 2,102,063</b>	<b>\$ 57,936,357</b>	<b>\$ 57,810,733</b>	<b>\$ 2,227,687</b>
 <b>Liabilities</b>				
Accounts payable	\$ 550	\$ 122,648	\$ 124,798	\$ 1,600
Due to individuals	98,003	4,484,229	4,784,136	201,904
Due to other funds	10,312	1,006,621	1,083,162	66,229
Due to other governmental units	1,782,976	54,232,526	57,834,378	1,818,876
Interest payable	2,779	3,018	7,559	1,762
Occupational licenses payable	70,815	161,681	313,067	80,571
Escrow funds payable	120,747	198,612	356,970	37,611
Other current liabilities	15,881	1,188,614	1,223,629	19,134
<b>Total liabilities</b>	<b>\$ 2,102,063</b>	<b>\$ 61,397,949</b>	<b>\$ 65,727,699</b>	<b>\$ 2,227,687</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
TAX COLLECTOR  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Fiscal Year Ended September 30, 2016**

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 2,265,336	\$ 65,621,810	\$ 65,492,232	\$ 2,394,914
Due from other governmental units	-	152	-	152
Dishonored checks receivable	654	95,708	94,751	1,611
<b>Total assets</b>	<b>\$ 2,265,990</b>	<b>\$ 65,717,670</b>	<b>\$ 65,586,983</b>	<b>\$ 2,396,677</b>
 <b>Liabilities</b>				
Accounts payable	\$ 4,106	\$ 152,666	\$ 158,378	\$ 1,606
Due to individuals	98,003	4,484,229	4,784,136	201,904
Due to other funds	10,312	1,006,621	1,083,162	66,229
Due to other governmental units	1,934,665	62,104,739	66,010,268	1,970,864
Interest payable	2,779	3,018	7,559	1,762
Occupational licenses payable	70,815	161,681	313,067	80,571
Escrow funds payable	120,747	198,612	356,970	37,611
Other current liabilities	24,563	1,347,230	1,407,922	36,130
<b>Total liabilities</b>	<b>\$ 2,265,990</b>	<b>\$ 69,458,796</b>	<b>\$ 74,121,462</b>	<b>\$ 2,396,677</b>

See notes to financial statements.

## **COMPLIANCE SECTION**

**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**

To the Tax Collector  
Columbia 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Columbia County Tax Collector, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Columbia County Tax Collector's basic financial statements, and have issued our report thereon dated March 27, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Columbia County Tax Collector'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 Columbia County Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Tax Collector'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. However, we identified the following deficiency in internal control over financial reporting that we consider to be a significant deficiency in internal control over financial reporting.

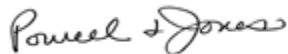
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Columbia County Tax Collector'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.

A handwritten signature in cursive script that reads "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 27, 2017

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

Honorable Tax Collector  
Columbia County, Florida

We have audited the financial statements of the Columbia County Tax Collector, as of and for the year ended September 30, 2016, and have issued our report thereon dated March 27, 2017

We have issued our 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* dated March 27, 2017. Disclosures in 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 *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 the following be addressed in this letter.

**PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

**CURRENT YEAR FINDINGS**

There were no reportable findings during the current year.

**FINANCIAL COMPLIANCE MATTERS**

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2016. The financial statements of the Tax Collector are combined with other County agencies in that report.

Financial Emergency Status - We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

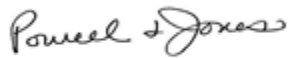
Financial Condition Assessment Procedures - As required by the Rules of the Auditor General (Sections 10.554(1)(i)7.c and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.



Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.554(1)(f).

## **CONCLUSION**

We have reviewed information regarding our audit with the Tax Collector and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Tax Collector. We appreciate the helpful assistance of the Tax Collector Staff in completing our audit and also the generally high quality of the Tax Collector's financial records and internal controls. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script, reading "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
March 27, 2017

## INDEPENDENT ACCOUNTANT'S REPORT

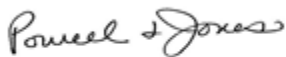
To The Tax Collector  
Columbia County, Florida

We have examined the Columbia County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector'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 Tax Collector'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 Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector 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 Columbia County, Florida, the Tax Collector and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**POWELL & JONES**  
Certified Public Accountants  
March 27, 2017



## Ronnie Brannon, Tax Collector

---

*Proudly Serving The People of Columbia County*  
135 NE Hernando Ave., Suite 125 • Lake City, Florida 32055-4006  
(386) 758-1077 • (386) 719-7462 Fax

May 31, 2017

Honorable Ron Williams, Chairman  
Columbia County Board of Commissioners  
P.O. Box 1529  
Lake City, FL 32056

Dear Mr. Williams:

We have received our Management Letter from Powell and Jones, Certified Public Accountants, for our financial audit of the period ending September 30, 2016.

We are pleased to see there were no reportable findings again this year. We accept this letter and will strive to continue to do things as required by the Auditor General Rules. We appreciate the courtesy afforded us by the auditing staff.

Sincerely,

Ronnie Brannon  
Tax Collector

RHB/sb

Cc: Powell & Jones CPA