

**COLUMBIA COUNTY,  
FLORIDA**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2017**

# **COLUMBIA COUNTY, FLORIDA**

## **ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2017**

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**ANNUAL FINANCIAL REPORT**  
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## **INTRODUCTORY SECTION**

**COLUMBIA COUNTY, FLORIDA**

**LIST OF PRINCIPAL OFFICIALS**

**September 30, 2017**

<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	Timothy Murphy
<b>County Attorney</b>	Joel Foreman
<b>Clerk of Circuit Court</b>	P. DeWitt Cason
<b>Property Appraiser</b>	Jeff Hampton
<b>Sheriff</b>	Mark Hunter
<b>Supervisor of Elections</b>	Elizabeth P. Horne
<b>Tax Collector</b>	Ronnie Brannon

## **FINANCIAL SECTION**

## **BASIC FINANCIAL STATEMENTS**



**Powell & Jones**  
Certified Public Accountants

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Marian Jones Powell, CPA

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## **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, 2017, 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, 2017, 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*

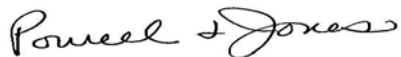
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 19, budgetary comparison information on pages 70 through 77 and pension schedules on pages 78 through 79, be presented to supplement the basic financial statements. 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 February 14, 2018 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  
February 14, 2018

**COLUMBIA COUNTY, FLORIDA**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended September 30, 2017**

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2017. 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, 2017.

## **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 \$146,401,914 (net position). Unrestricted net position for governmental activities was \$3,203,711 and for business-type activities was \$4,756,364. Governmental Activities restricted net position is \$19,920,973 and was \$-0- for Business-type Activities.

Total net position decreased by \$(1,793,495). Of that amount, \$(3,194,830) 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 increased by \$1,401,335.

Governmental Funds revenues decreased by \$(1,794,398) to \$64,617,048. This decrease in revenue was due primarily to a decrease in grant revenue and sales and use taxes. Governmental Fund expenses decreased by \$(646,900) to \$67,586,878. This decrease in expenditures was primarily due to a decrease in transportation related expenditures.

Business-type activities revenues increased to \$4,251,712, and business-type expenses increased to \$3,075,377.

## **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, 2017, the assets of the County exceed liabilities by \$146,401,914.

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

## Net Position

	Total Government			
	Governmental	Business-type	2017	2016
<b>Assets</b>				
Current assets	\$ 50,940,612	\$ 4,617,270	\$ 55,557,882	\$ 52,957,049
Restricted assets	-	7,443,401	7,443,401	7,385,728
Other Noncurrent assets	116,944,013	12,539,177	129,483,190	131,860,054
Total assets	167,884,625	24,599,848	192,484,473	192,202,831
<b>Deferred Outflows of Resources</b>				
County's proportionate share of				
FRS pension related	16,314,744	376,512	16,691,256	20,185,128
<b>Liabilities</b>				
Current liabilities (payable				
from current assets)	6,545,504	913,267	7,458,771	6,280,381
Current liabilities (payable				
from restricted assets)	-	921,820	921,820	204,520
Noncurrent liabilities	44,871,328	6,863,357	51,734,685	55,153,119
Total liabilities	51,416,832	8,698,444	60,115,276	61,638,020
<b>Deferred Inflows of Resources</b>				
County's proportionate share of				
FRS pension related	2,598,568	59,971	2,658,539	6,470,067
<b>Net Position</b>				
Net position invested in capital				
assets, net of related debt	107,059,285	11,461,581	118,520,866	118,945,102
Net position - restricted	19,920,973	-	19,920,973	16,944,306
Net position - unrestricted	3,203,711	4,756,364	7,960,075	8,390,464
Total net position	\$ 130,183,969	\$ 16,217,945	\$ 146,401,914	\$ 144,279,872

82.2% 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 15.3% 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, 2.5%, 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 \$(3,194,830). 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, 2017. There was an increase in Business-type Activities net position of \$1,401,335.

<b>Changes in Net Position</b>				
	Governmental	Business-type	Total Government	
	Activities	Activities	2017	2016
<b>Revenues:</b>				
Program revenues				
Charges for services	\$ 16,997,859	\$ 3,409,634	\$ 20,407,493	\$ 19,395,124
Operating grants/				
contributions	1,972,460	90,909	2,063,369	1,948,447
Capital grants/contributions	1,105,344	647,289	1,752,633	4,728,889
General revenues				
Property taxes	17,732,336	-	17,732,336	18,527,377
Sales and use taxes	13,248,655	-	13,248,655	12,508,377
Federal and State shared				
revenues	11,598,051	-	11,598,051	11,227,555
Interest	269,093	89,144	358,237	277,255
Other	1,693,250	14,736	1,707,986	1,290,654
Total revenues	<u>64,617,048</u>	<u>4,251,712</u>	<u>68,868,760</u>	<u>69,903,678</u>
<b>Expenses:</b>				
General government	11,066,764	-	11,066,764	10,444,601
Public safety	27,530,453	-	27,530,453	24,518,997
Physical environment	4,853,882	3,075,377	7,929,259	7,771,206
Transportation	14,389,240	-	14,389,240	16,939,019
Economic environment	1,863,493	-	1,863,493	1,629,647
Human services	2,709,880	-	2,709,880	2,669,365
Culture/recreation	2,729,304	-	2,729,304	2,544,271
Court related	2,230,799	-	2,230,799	2,202,346
Interest on long-term debt	213,063	-	213,063	211,329
Loss on disposition of fixed assets	-	-	-	2,235,307
Total expenses	<u>67,586,878</u>	<u>3,075,377</u>	<u>70,662,255</u>	<u>71,166,088</u>
Transfers in (out)	<u>(225,000)</u>	<u>225,000</u>	<u>-</u>	<u>-</u>
<b>Increase (decrease) in</b>				
<b>net position</b>	<u>\$ (3,194,830)</u>	<u>\$ 1,401,335</u>	<u>\$ (1,793,495)</u>	<u>\$ (1,262,410)</u>

Property taxes provide 27.4% of the revenues for Governmental Activities, while sales taxes provide 20.5%. Most of the Governmental Activities resources are spent for Public Safety (40.73%), General Government (16.37%), Transportation (21.29%), and Physical Environment (7.18%).

## **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, 2017, total assets were \$16,855,983 and total liabilities were \$1,189,062. The ending fund balance was \$15,666,921; \$1,029,785 of which is restricted and an additional amount of \$1,615,091 was committed or assigned for specified projects.

During the year ended September 30, 2017, total revenues, \$31,027,025, exceeded total expenditures, \$13,207,361, by \$17,819,664. \$18,056,877 was transferred to other funds for operational and capital related purposes and \$673,200 was transferred in. The net increase in the fund balance in the General Fund was therefore, \$438,752.

During the fiscal year, the County amended and decreased the General Fund budget by \$(3,030,445), 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, revenues and a gain on disposition of equipment exceeded expenditures and transfers out by \$1,110,427, resulting in an ending fund balance of \$5,625,232.

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, 2017, revenues and the proceeds of sales of fixed assets exceeded expenditures by \$47,983.

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 \$13,726,808 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 \$2,138,042, 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, revenues exceeded expenditures and transfers out by \$1,038, leaving an ending fund balance of \$513,391.



The *County Facilities Fund* accounts for the ongoing County facilities projects throughout the county. During the year, expenditures exceeded revenues and transfers in by \$(1,607,853), leaving an ending fund balance of \$4,462,804.

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, expenditures exceeded revenues and transfers in \$(1,009,547) leaving an ending fund balance of \$8,198,873.

#### **General Fund Budget**

Budgeted revenues for the General Fund exceeded actual revenue by \$1,526,138. Budgeted expenditures and transfers out were greater than actual by \$3,030,445. This was primarily due to capital projects which were not completed in the 2017 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 tipage fees charged to users of the services. Total assets as of September 30, 2017, were \$19,963,012, total liabilities were \$7,008,415, net deferred outflows/inflows related to the Florida State Retirement System pension liability were \$316,541 and net position was \$13,271,138. Total income, including interest and grants, was \$3,521,227 and total expenses were \$2,769,254, leaving a change in net position of \$751,973. This brought net position to \$13,271,138.

The *Utilities Fund* accounts for the financial activities associated with the County operated water and sewer services. Total assets at September 30, 2017 were \$6,090,705, total liabilities were \$3,143,898, and net position was \$2,946,807. Total income and transfers in were \$955,485. Total expenses, including interest expense, were \$306,123, leaving a net change in net position of \$649,362.

#### **CAPITAL ASSETS ACTIVITY**

The County's capital assets for its governmental and business-type activities as of September 30, 2017, is \$129,438,192 (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, 2017, compared to the prior year:

### Capital Assets

	Governmental Activities	Business-type Activities	Total Government	
			2017	2016
Land and land interests	\$ 11,099,890	\$ 2,087,118	\$ 13,187,008	\$ 12,415,763
Construction in progress	8,261,400	1,244,144	9,505,544	8,215,583
Infrastructure	167,614,077	-	167,614,077	164,972,258
Buildings and improvements	60,421,648	16,839,462	77,261,110	75,249,417
Equipment	25,798,049	3,688,584	29,486,633	28,822,430
	<u>273,195,064</u>	<u>23,859,308</u>	<u>297,054,372</u>	<u>289,675,451</u>
Less accumulated depreciation	(156,296,049)	(11,320,131)	(167,616,180)	(157,872,745)
Total	<u>\$ 116,899,015</u>	<u>\$ 12,539,177</u>	<u>\$ 129,438,192</u>	<u>\$ 131,802,706</u>

### DEBT MANAGEMENT

#### Governmental Activities Debt

During the year, total long-term debt increased by \$851,212. 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 \$2,788,659. The following schedule shows the balances of the County's long-term debt at year end:

Revenue bonds	\$ 8,749,505
Capital leases	1,090,225
Compensated absences	2,095,047
County's proportionate share FRS pension liability	<u>36,272,959</u>
	<u>\$ 48,207,736</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 \$1,077,596 at September 30, 2017.

The County also had a liability for compensated absences of \$42,614 of which \$36,222 was long-term and an estimated landfill closure and post-closure liability \$5,869,629 at year end. The enterprise fund share of the County's proportionate share of the FRS pension liability was \$837,108.

### OTHER FINANCIAL INFORMATION

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

- The current unemployment rate for the County, was 3.4%.
- The estimated population for the County in 2017 was 69,612.
- The ad valorem tax millage rate for the County was 8.015 mills in 2017, 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, 2017

	Governmental Activities	Business - type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 21,873,882	\$ 2,104,991	\$ 23,978,873
Accounts receivable	259,171	468,474	727,645
Internal balances	1,453,869	(1,453,869)	-
Due from agency funds	430,228	-	430,228
Due from other governmental units	2,123,967	410,269	2,534,236
Inventories	93,091	-	93,091
Prepaid expenses	146,357	-	146,357
Investments	24,539,865	3,087,405	27,627,270
Other current assets	20,182	-	20,182
<b>Total current assets</b>	<b>50,940,612</b>	<b>4,617,270</b>	<b>55,557,882</b>
<b>Noncurrent Assets</b>			
<b>Restricted assets</b>			
Cash	-	98,344	98,344
Investments	-	7,345,057	7,345,057
<b>Total restricted assets</b>	<b>-</b>	<b>7,443,401</b>	<b>7,443,401</b>
<b>Notes receivable</b>	<b>44,998</b>	<b>-</b>	<b>44,998</b>
<b>Capital assets, net</b>	<b>116,899,015</b>	<b>12,539,177</b>	<b>129,438,192</b>
<b>Total noncurrent assets</b>	<b>116,944,013</b>	<b>19,982,578</b>	<b>136,926,591</b>
<b>Total assets</b>	<b>167,884,625</b>	<b>24,599,848</b>	<b>192,484,473</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
County's proportionate share of FRS pension related	16,314,744	376,512	16,691,256
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	2,020,866	831,982	2,852,848
Accrued wages	123,695	8,493	132,188
Accrued payroll liabilities	534,065	-	534,065
Due to other governmental units	64,617	-	64,617
Accrued compensated absences	329,920	6,392	336,312
Interest payable	13,467	5,180	18,647
Deposits	5,000	25,842	30,842
Unearned revenue	148,572	-	148,572
Current portion County's proportionate share FRS pension liability	3,006,488	35,378	3,041,866
Other current liabilities	298,814	-	298,814
<b>Total current liabilities</b>	<b>6,545,504</b>	<b>913,267</b>	<b>7,458,771</b>
<b>Current Liabilities Payable from Restricted Assets</b>			
<b>Landfill postclosure costs</b>	<b>-</b>	<b>921,820</b>	<b>921,820</b>
	<b>-</b>	<b>921,820</b>	<b>921,820</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	-	970,587	970,587
Capital leases	570,254	-	570,254
Bonds payable	7,576,628	-	7,576,628
Accrued compensated absences	1,765,127	36,222	1,801,349
Estimated landfill closure liability	-	4,947,809	4,947,809
County proportionate share FRS pension liability	33,266,471	801,730	34,068,201
<b>Total noncurrent liabilities</b>	<b>44,871,328</b>	<b>6,863,357</b>	<b>51,734,685</b>
<b>Total liabilities</b>	<b>51,416,832</b>	<b>8,698,444</b>	<b>60,115,276</b>
(Continued)			

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF NET POSITION**

**September 30, 2017**

	<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>\$ 2,598,568</u>	<u>\$ 59,971</u>	<u>\$ 2,658,539</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	107,059,285	11,461,581	118,520,866
Restricted	19,920,973	-	19,920,973
Unrestricted	<u>3,203,711</u>	<u>4,756,364</u>	<u>7,960,075</u>
<b>Total net position</b>	<u><u>\$ 130,183,969</u></u>	<u><u>\$ 16,217,945</u></u>	<u><u>\$ 146,401,914</u></u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended September 30, 2017

Functions/Programs	Program Services				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 11,066,764	\$ 3,339,965	\$ 100,706	\$ -	\$ (7,626,093)	\$ -	\$ (7,626,093)
Public Safety	27,527,453	7,630,781	533,814	173,516	(19,189,342)	-	(19,189,342)
Physical Environment	4,853,882	3,733,844	-	-	(1,120,038)	-	(1,120,038)
Transportation	14,392,240	17,548	-	931,828	(13,442,864)	-	(13,442,864)
Economic Environment	1,863,493	-	501,917	-	(1,361,576)	-	(1,361,576)
Human Services	2,709,880	880	113,809	-	(2,595,191)	-	(2,595,191)
Culture/recreation	2,729,304	114,603	595,738	-	(2,018,963)	-	(2,018,963)
Court-related	2,230,799	2,160,238	126,476	-	55,915	-	55,915
Interest on long-term debt	213,063	-	-	-	(213,063)	-	(213,063)
<b>Total governmental activities</b>	<b>67,586,878</b>	<b>16,997,859</b>	<b>1,972,460</b>	<b>1,105,344</b>	<b>(47,511,216)</b>	<b>-</b>	<b>(47,511,216)</b>
<b>Business - type activities</b>							
Physical Environment							
Landfill and utilities	3,075,377	3,409,634	90,909	647,289	-	1,072,455	1,072,455
<b>Total government</b>	<b>70,662,255</b>	<b>20,407,493</b>	<b>2,063,369</b>	<b>1,752,633</b>	<b>(47,511,216)</b>	<b>1,072,455</b>	<b>(46,438,761)</b>
<b>General revenues</b>							
Ad valorem taxes					17,732,336	-	17,732,336
Sales and use taxes					13,248,655	-	13,248,655
Franchise taxes					113,615	-	113,615
Federal payments in lieu of taxes					223,258	-	223,258
Federal and state shared revenue					11,598,051	-	11,598,051
Interest					269,093	89,144	358,237
Gain (loss) on disposition of fixed assets					552,829	14,736	567,565
Rents and royalties					1,829	-	1,829
Miscellaneous					801,720	-	801,720
Transfers in (out)					(225,000)	225,000	-
<b>Total general revenues</b>					<b>44,316,386</b>	<b>328,880</b>	<b>44,645,266</b>
<b>Change in net position</b>					<b>(3,194,830)</b>	<b>1,401,335</b>	<b>(1,793,495)</b>
<b>Net position beginning of year</b>					<b>133,378,799</b>	<b>10,901,072</b>	<b>144,279,871</b>
<b>Prior period adjustment</b>					<b>-</b>	<b>3,915,538</b>	<b>3,915,538</b>
<b>Net position end of year</b>					<b>\$ 130,183,969</b>	<b>\$ 16,217,945</b>	<b>\$ 146,401,914</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**September 30, 2017**

	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	\$ 2,260,005	\$ 1,179,677	\$ 264,478	\$ 127,656	\$ 1,432,382	\$ 1,987	\$ 4,795,866	\$ 5,171,002	\$ 6,613,666	\$ 21,846,719
Accounts receivable	69,237	12,217	32,118	-	10,000	-	-	-	7,591	131,163
Notes receivable	-	-	-	-	-	44,998	-	-	-	44,998
Due from other funds	1,483,445	440,910	522,409	151,155	15,980	-	-	-	915,654	3,529,553
Due from other governmental units	863,332	729,266	58,362	19,851	27,177	97,037	-	41,311	287,631	2,123,967
Inventories	-	93,091	-	-	-	-	-	-	-	93,091
Prepaid expenses	-	146,357	-	-	-	-	-	-	-	146,357
Investments	12,172,343	3,520,503	3,481,942	-	-	373,105	-	3,018,761	1,973,211	24,539,865
Other current assets	7,621	2,001	-	-	10,560	-	-	-	-	20,182
<b>Total assets</b>	<b>\$ 16,855,983</b>	<b>\$ 6,124,022</b>	<b>\$ 4,359,309</b>	<b>\$ 298,662</b>	<b>\$ 1,496,099</b>	<b>\$ 517,127</b>	<b>\$ 4,795,866</b>	<b>\$ 8,231,074</b>	<b>\$ 9,797,753</b>	<b>\$ 52,475,895</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts payable	\$ 623,892	\$ 456,862	\$ 171,524	\$ 3,822	\$ 145,927	\$ 1,799	\$ 328,062	\$ 32,201	\$ 194,507	\$ 1,958,596
Due to other funds	440,910	-	-	102,762	810,051	-	-	-	291,733	1,645,456
Due to other governmental units	-	-	-	49,571	-	-	-	-	15,046	64,617
Accrued wages	57,686	-	50,286	-	-	1,937	-	-	13,786	123,695
Accrued payroll liabilities	66,574	41,928	-	15,624	389,869	-	-	-	20,070	534,065
Deposits	-	-	-	-	-	-	5,000	-	-	5,000
Unearned revenues	-	-	1,000	126,883	-	-	-	-	20,689	148,572
Other current liabilities	-	-	335	-	150,252	-	-	-	-	150,587
<b>Total liabilities</b>	<b>1,189,062</b>	<b>498,790</b>	<b>223,145</b>	<b>298,662</b>	<b>1,496,099</b>	<b>3,736</b>	<b>333,062</b>	<b>32,201</b>	<b>555,831</b>	<b>4,630,588</b>
<b>Fund balances</b>										
<b>Nonspendable:</b>										
Inventories	-	93,091	-	-	-	-	-	-	-	93,091
Notes receivable	-	-	-	-	-	44,998	-	-	-	44,998
Advance	971,030	-	-	-	-	-	-	-	-	971,030
Restricted	1,029,785	5,532,141	4,136,164	-	-	-	-	-	9,222,883	19,920,973
Committed	940,532	-	-	-	-	-	-	-	19,039	959,571
Assigned	674,559	-	-	-	-	468,393	4,462,804	8,198,873	-	13,804,629
Unassigned	12,051,015	-	-	-	-	-	-	-	-	12,051,015
<b>Total fund balances</b>	<b>15,666,921</b>	<b>5,625,232</b>	<b>4,136,164</b>	<b>-</b>	<b>-</b>	<b>513,391</b>	<b>4,462,804</b>	<b>8,198,873</b>	<b>9,241,922</b>	<b>47,845,307</b>
<b>Total liabilities and fund balances</b>	<b>\$ 16,855,983</b>	<b>\$ 6,124,022</b>	<b>\$ 4,359,309</b>	<b>\$ 298,662</b>	<b>\$ 1,496,099</b>	<b>\$ 517,127</b>	<b>\$ 4,795,866</b>	<b>\$ 8,231,074</b>	<b>\$ 9,797,753</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	(13,467)
Bonds payable	(8,749,505)
Capital leases	(1,090,225)
Accrued compensated absences	(2,095,047)
County's proportionate share of FRS net pension liability and related deferred outflow/inflows	(22,556,783)
Internal service fund	(55,326)
<b>Net position of governmental activities</b>	<b>\$ 130,183,969</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended September 30, 2017**

	Special Revenue Funds						Capital Projects Funds			
	General Fund	County Transportation Trust	Municipal Services	Clerk of Courts Operating	Sheriff Operating	Economic Development	County Facilities	Road Improvement	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>										
Taxes	\$ 22,570,572	\$ 4,140,232	\$ 780,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 3,530,040	\$ 31,170,844
Licenses and permits, special assessments	19,096	-	8,832,825	-	-	-	-	-	17,709	8,869,630
Intergovernmental	5,894,111	4,768,869	295,190	133,249	116,456	1,284,977	-	931,828	1,249,351	14,674,031
Charges for services	2,148,722	5,265	48,588	1,585,553	102,491	-	31,825	-	2,493,233	6,415,677
Fines and forfeitures	68,712	-	-	25,842	-	-	-	-	129,336	223,890
Interest	129,485	36,668	30,926	-	1,481	3,558	-	40,678	26,297	269,093
Miscellaneous	196,327	418,418	79,763	-	154,789	1,400	-	-	106,276	956,973
<b>Total revenues</b>	<b>31,027,025</b>	<b>9,369,452</b>	<b>10,067,292</b>	<b>1,744,644</b>	<b>375,217</b>	<b>1,289,935</b>	<b>31,825</b>	<b>1,122,506</b>	<b>7,552,242</b>	<b>62,580,138</b>
<b>EXPENDITURES</b>										
<b>Current expenditures</b>										
General government	4,750,340	-	326,369	750,483	-	-	173,190	-	3,904,877	9,905,259
Public safety	3,433,858	-	5,858,750	-	13,150,519	-	99,444	-	258,625	22,801,196
Physical environment	1,217,589	12,197	3,495,411	-	-	-	20,070	-	-	4,745,267
Transportation	-	6,725,236	-	-	-	-	-	4,600	957	6,730,793
Economic environment	172,403	-	13,507	-	-	567,949	-	-	994,198	1,748,057
Human services	2,649,605	-	-	-	-	-	-	-	-	2,649,605
Culture/recreation	696,725	-	-	-	-	-	248,142	-	1,379,166	2,324,033
Court-related	-	-	-	1,387,559	-	-	-	-	761,520	2,149,079
<b>Capital outlay</b>										
General government	131,431	-	-	-	-	-	-	-	102,834	234,265
Public safety	97,752	-	183,902	-	576,289	-	1,869,275	-	148,835	2,876,053
Physical environment	29,090	-	-	-	-	-	39,830	-	-	68,920
Transportation	-	577,233	-	-	-	-	-	2,956,715	-	3,533,948
Economic environment	-	-	-	-	-	6,150	-	-	-	6,150
Culture/recreation	28,568	-	-	-	-	-	664,727	-	-	693,295
<b>Debt services</b>										
Principal	-	519,970	286,652	-	-	465,409	-	-	561,000	1,833,031
Interest	-	49,428	54,518	-	-	24,389	-	-	84,728	213,063
<b>Total expenditures</b>	<b>13,207,361</b>	<b>7,884,064</b>	<b>10,219,109</b>	<b>2,138,042</b>	<b>13,726,808</b>	<b>1,063,897</b>	<b>3,114,678</b>	<b>2,961,315</b>	<b>8,196,740</b>	<b>62,512,014</b>
<b>Excess of revenues over (under) expenditure</b>	<b>17,819,664</b>	<b>1,485,388</b>	<b>(151,817)</b>	<b>(393,398)</b>	<b>(13,351,591)</b>	<b>226,038</b>	<b>(3,082,853)</b>	<b>(1,838,809)</b>	<b>(644,498)</b>	<b>68,124</b>
<b>Other financing sources (uses)</b>										
Sale of fixed assets	2,765	350,039	199,800	-	-	-	-	-	-	552,604
Interfund transfers in	673,200	-	-	393,398	13,351,591	-	1,475,000	829,262	17,569,606	34,292,057
Interfund transfers out	(18,056,877)	(725,000)	-	-	-	(225,000)	-	-	(15,510,180)	(34,517,057)
<b>Total other financing sources (uses)</b>	<b>(17,380,912)</b>	<b>(374,961)</b>	<b>199,800</b>	<b>393,398</b>	<b>13,351,591</b>	<b>(225,000)</b>	<b>1,475,000</b>	<b>829,262</b>	<b>2,059,426</b>	<b>327,604</b>
<b>Net change in fund balances</b>	<b>438,752</b>	<b>1,110,427</b>	<b>47,983</b>	<b>-</b>	<b>-</b>	<b>1,038</b>	<b>(1,607,853)</b>	<b>(1,009,547)</b>	<b>1,414,928</b>	<b>395,728</b>
<b>Fund balances beginning of year</b>	<b>15,228,169</b>	<b>4,514,805</b>	<b>4,088,181</b>	<b>-</b>	<b>-</b>	<b>512,353</b>	<b>6,070,657</b>	<b>9,208,420</b>	<b>7,826,994</b>	<b>47,449,579</b>
<b>Fund balances end of year</b>	<b>\$ 15,666,921</b>	<b>\$ 5,625,232</b>	<b>\$ 4,136,164</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 513,391</b>	<b>\$ 4,462,804</b>	<b>\$ 8,198,873</b>	<b>\$ 9,241,922</b>	<b>\$ 47,845,307</b>
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, 2017**

Net change in fund balances - total governmental funds \$ 395,728

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	\$ 7,341,070	
Less current year depreciation and adjustments	<u>(10,190,586)</u>	
		(2,849,516)

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	519,970	
Bond principal payments	<u>1,313,061</u>	
		1,833,031

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	104,419	
Net change in accrued interest expense	4,073	
Net change in the County's proportionate share FRS pension liability and related deferred outflows and inflows	<u>(2,627,239)</u>	
		(2,518,747)

Internal service funds are used by management to account  
for the Sheriff portion of costs in a self-insured health insurance  
consortium.

	(55,326)
<u>\$</u>	<u>(3,194,830)</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2017**

	<b>Business type -Activities Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<b>Landfill Enterprise</b>	<b>Utilities</b>	<b>Total</b>	
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 1,482,493	\$ 622,498	\$ 2,104,991	\$ 27,163
Accounts receivable net of allowance for uncollectible accounts	459,609	8,865	468,474	128,008
Due from other governmental units	-	410,269	410,269	-
Investments	3,087,405	-	3,087,405	-
<b>Total current assets</b>	<b>5,029,507</b>	<b>1,041,632</b>	<b>6,071,139</b>	<b>155,171</b>
<b>Noncurrent Assets</b>				
<b>Restricted assets</b>				
Cash	98,344	-	98,344	-
Investments	7,345,057	-	7,345,057	-
<b>Total restricted assets</b>	<b>7,443,401</b>	<b>-</b>	<b>7,443,401</b>	<b>-</b>
<b>Fixed assets</b>				
Land	908,279	1,178,839	2,087,118	-
Buildings	508,514	131,200	639,714	-
Improvements other than buildings	12,175,435	4,024,313	16,199,748	-
Equipment	3,624,873	63,711	3,688,584	-
Construction in progress	125,006	1,119,138	1,244,144	-
Allowance for depreciation	(9,852,003)	(1,468,128)	(11,320,131)	-
<b>Total fixed assets</b>	<b>7,490,104</b>	<b>5,049,073</b>	<b>12,539,177</b>	<b>-</b>
<b>Total noncurrent assets</b>	<b>14,933,505</b>	<b>5,049,073</b>	<b>19,982,578</b>	<b>-</b>
<b>Total assets</b>	<b>19,963,012</b>	<b>6,090,705</b>	<b>26,053,717</b>	<b>155,171</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Florida Retirement System pension related	376,512	-	376,512	-
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	233,249	598,733	831,982	210,497
Accrued wages	8,493	-	8,493	-
Due to other funds	-	1,453,869	1,453,869	-
Interest payable	-	5,180	5,180	-
Accrued compensated absences	6,392	-	6,392	-
Deposits	17,322	8,520	25,842	-
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>	<b>300,834</b>	<b>2,173,311</b>	<b>2,474,145</b>	<b>210,497</b>
<b>Current Liabilities Payable from Restricted Assets</b>				
Landfill postclosure costs	921,820	-	921,820	-
<b>Total current liabilities payable from restricted assets</b>	<b>921,820</b>	<b>-</b>	<b>921,820</b>	<b>-</b>

(Continued)

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2017**

	<b>Business type -Activities Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<b>Landfill Enterprise</b>	<b>Utilities</b>	<b>Total</b>	
<b>Noncurrent Liabilities</b>				
Share of Florida State Retirement pension liability	\$ 801,730	\$ -	\$ 801,730	\$ -
Loan payable Department of Environmental Protection	-	970,587	970,587	-
Estimated landfill closure liability	4,947,809	-	4,947,809	-
Accrued compensated absences	36,222	-	36,222	-
<b>Total noncurrent liabilities</b>	<u>5,785,761</u>	<u>970,587</u>	<u>6,756,348</u>	<u>-</u>
<b>Total liabilities</b>	<u>7,008,415</u>	<u>3,143,898</u>	<u>10,152,313</u>	<u>210,497</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>				
Florida Retirement System pension related	59,971	-	59,971	-
 <b>NET POSITION</b>				
Invested in capital assets, net of related debt	7,490,104	3,971,477	11,461,581	-
Unrestricted (deficit)	5,781,034	(1,024,670)	4,756,364	(55,326)
<b>Total net position</b>	<u>\$ 13,271,138</u>	<u>\$ 2,946,807</u>	<u>\$ 16,217,945</u>	<u>\$ (55,326)</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, 2017**

	Business type -Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Landfill Enterprise	Utilities	Totals	
<b>OPERATING REVENUES</b>				
Licenses and permits	\$ -	\$ 7,664	\$ 7,664	\$ -
Charges for services				
Public safety	-	-	-	1,484,306
Physical environment				
Garbage/solid waste revenue	3,323,811	-	3,323,811	-
Water and wastewater revenue	4,994	73,165	78,159	-
<b>Total operating revenues</b>	<b>3,328,805</b>	<b>80,829</b>	<b>3,409,634</b>	<b>1,484,306</b>
<b>OPERATING EXPENSES</b>				
<b>Public safety</b>				
Operating expenses	-	-	-	1,539,632
<b>Landfill and water/wastewater utilities</b>				
Personnel services	1,007,507	-	1,007,507	-
Operating expenses	1,158,958	67,764	1,226,722	-
Depreciation	602,789	210,670	813,459	-
<b>Total landfill and water/wastewater utilities</b>	<b>2,769,254</b>	<b>278,434</b>	<b>3,047,688</b>	<b>-</b>
<b>Total operating expenses</b>	<b>2,769,254</b>	<b>278,434</b>	<b>3,047,688</b>	<b>1,539,632</b>
<b>Operating income (loss)</b>	<b>559,551</b>	<b>(197,605)</b>	<b>361,946</b>	<b>(55,326)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
State grants				
Physical environment				
State grants	90,909	647,289	738,198	-
Gain (loss) on disposal of capital assets	14,736	-	14,736	-
Interest earnings	86,777	2,367	89,144	-
Debt service costs				
Interest	-	(27,689)	(27,689)	-
<b>Total nonoperating revenues (expenses)</b>	<b>192,422</b>	<b>621,967</b>	<b>814,389</b>	<b>-</b>
<b>Change in net position before operating transfers</b>	<b>751,973</b>	<b>424,362</b>	<b>1,176,335</b>	<b>(55,326)</b>
<b>Operating transfers in</b>	<b>-</b>	<b>225,000</b>	<b>225,000</b>	<b>-</b>
<b>Change in net position after operating transfers</b>	<b>751,973</b>	<b>649,362</b>	<b>1,401,335</b>	<b>(55,326)</b>
<b>Net position at beginning of year</b>	<b>8,603,627</b>	<b>2,297,445</b>	<b>10,901,072</b>	<b>-</b>
<b>Prior period adjustment</b>	<b>3,915,538</b>	<b>-</b>	<b>3,915,538</b>	<b>-</b>
<b>Net position at end of year</b>	<b>\$ 13,271,138</b>	<b>\$ 2,946,807</b>	<b>\$ 16,217,945</b>	<b>\$ (55,326)</b>
<b>See notes to financial statements.</b>				

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2017

	<b>Business - Type Activities Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<b>Landfill Enterprise</b>	<b>Utilities</b>	<b>Total</b>	
<b>Cash Flows From Operating Activities</b>				
Cash flows received from services	\$ 3,294,312	\$ 80,853	\$ 3,375,165	\$ 1,356,298
Cash paid to employees	(511,350)	-	(511,350)	-
Cash paid for employee benefits	(204,885)	-	(204,885)	(1,389,135)
Cash paid to vendors	(1,024,358)	526,004	(498,354)	-
Net cash provided by operating activities	<u>1,553,719</u>	<u>606,857</u>	<u>2,160,576</u>	<u>(32,837)</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Line of credit				
State grants received	181,818	237,021	418,839	60,000
Transfers in/(out) from/to other funds	-	225,000	225,000	-
Net cash provided by noncapital financing activities	<u>181,818</u>	<u>462,021</u>	<u>643,839</u>	<u>60,000</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Payments to acquire or construct capital assets	(272,976)	(1,025,495)	(1,298,471)	-
Sale of surplus equipment	14,736	-	14,736	-
Principal paid on bonds	-	(107,238)	(107,238)	-
Interest paid on capital debt	-	(28,235)	(28,235)	-
Net cash used for capital and related financing activities	<u>(258,240)</u>	<u>(1,160,968)</u>	<u>(1,419,208)</u>	<u>-</u>
<b>Cash Flows From Investing Activities</b>				
Interest received	86,777	2,367	89,144	-
Increase in investments	(82,461)	-	(82,461)	-
Net cash provided by investing activities	<u>4,316</u>	<u>2,367</u>	<u>6,683</u>	<u>-</u>
 Net increase (decrease) in cash	 1,481,613	 (89,723)	 1,391,890	 27,163
<b>Cash at beginning of year</b>	<u>99,224</u>	<u>712,221</u>	<u>811,445</u>	<u>-</u>
<b>Cash at end of year</b>	<u><u>\$ 1,580,837</u></u>	<u><u>\$ 622,498</u></u>	<u><u>\$ 2,203,335</u></u>	<u><u>\$ 27,163</u></u>
 Shown in the financial statements as:				
Current assets				
Cash	\$ 1,482,493	\$ 622,498	\$ 2,104,991	\$ 27,163
Noncurrent assets				
Restricted assets	98,344	-	98,344	-
	<u><u>\$ 1,580,837</u></u>	<u><u>\$ 622,498</u></u>	<u><u>\$ 2,203,335</u></u>	<u><u>\$ 27,163</u></u>

(Continued)

**COLUMBIA COUNTY, FLORIDA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2017

	<b>Business - Type Activities Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Total</u>	
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>				
<b>Operating Income (loss)</b>	<u>\$ 559,551</u>	<u>\$ (197,605)</u>	<u>\$ 361,946</u>	<u>\$ (55,326)</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided by operating activities:</b>				
Depreciation	602,789	210,670	813,459	-
Net pension liability	283,012	-	283,012	-
(Increase) decrease in assets:				
Accounts receivable	(34,493)	74	(34,419)	(128,008)
Increase (decrease) in liabilities:				
Accounts payable	134,600	593,768	728,368	150,497
Due to other funds	-	-	-	-
Accrued wages	675	-	675	-
Accrued compensated absences	7,585	-	7,585	-
Deposits	-	(50)	(50)	-
Total adjustments	<u>994,168</u>	<u>804,462</u>	<u>1,798,630</u>	<u>22,489</u>
<b>Net cash provided by operating activities</b>	<u><u>\$ 1,553,719</u></u>	<u><u>\$ 606,857</u></u>	<u><u>\$ 2,160,576</u></u>	<u><u>\$ (32,837)</u></u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**

**AGENCY FUNDS**  
**September 30, 2017**

**ASSETS**

Cash	\$ 3,531,885
Accounts receivable	1,749,996
<b>Total assets</b>	<b>\$ 5,281,881</b>

**LIABILITIES**

Accounts payable	\$ 406
Cash bond liability	35,931
Court fees payable	169,482
Deposits held in escrow	2,346,828
Due to other funds	430,228
Due to other governmental units	1,840,100
Tax deeds payable	342,412
Other current liabilities	116,494
<b>Total liabilities</b>	<b>5,281,881</b>
<b>NET POSITION</b>	<b>\$ -</b>

**See notes to financial statements.**

## **COLUMBIA COUNTY, FLORIDA**

### **NOTES TO FINANCIAL STATEMENTS**

September 30, 2017

#### **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 (revenues 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, 2017, this allowance was \$16,716. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2017.

#### **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, 2017.

#### **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, \$47,845,307, differs from “net position” of governmental activities, \$130,183,969, 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	\$ 273,195,064
Accumulated depreciation	(156,296,049)
Total	<u>\$ 116,899,015</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, 2017, were:



Revenue notes/Bonds payable	\$ 8,749,505
Accrued interest	13,467
Capital leases payable	1,090,225
Compensated absences	2,095,047
County's proportionate share FRS net pension liability	36,272,959
Total	<u>\$ 48,221,203</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	\$ 16,314,744
Deferred inflows of resources	(2,598,568)
	<u>\$ 13,716,176</u>

#### Internal service funds

The assets, liabilities and net position of governmental internal service funds are combined with governmental balances on the governmental statement of net position.

Assets	\$ 155,171
Liabilities	(210,497)
Net position	<u>\$ (55,326)</u>

#### Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$1,645,456 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

	Total Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Deferred Outflow/Inflows of Resources	Internal Service Fund	Reclassifications and Eliminations	Statement of Net Position
<b>ASSETS</b>							
Cash and cash equivalents	\$ 21,846,719	\$ -	\$ -	\$ -	\$ 27,163	\$ -	\$ 21,873,882
Accounts receivable - net	131,163	-	-	-	128,008	-	259,171
Due from other funds	3,529,553	-	-	-	-	(1,645,456)	1,884,097
Due from other governmental units	2,123,967	-	-	-	-	-	2,123,967
Note receivable	44,998	-	-	-	-	-	44,998
Investments	24,539,865	-	-	-	-	-	24,539,865
Inventories	93,091	-	-	-	-	-	93,091
Prepaid expense	146,357	-	-	-	-	-	146,357
Other current assets	20,182	-	-	-	-	-	20,182
Capital assets - net	-	116,899,015	-	-	-	-	116,899,015
<b>Total assets</b>	<b>52,475,895</b>	<b>116,899,015</b>	<b>-</b>	<b>-</b>	<b>155,171</b>	<b>(1,645,456)</b>	<b>167,884,625</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,314,744</b>	<b>-</b>	<b>-</b>	<b>16,314,744</b>
<b>LIABILITIES</b>							
Liabilities:							
Accounts payable	\$ 1,958,596	\$ -	\$ -	\$ -	\$ 62,270	\$ -	\$ 2,020,866
Due to other funds	1,645,456	-	-	-	-	(1,645,456)	-
Due to other governmental units	64,617	-	-	-	-	-	64,617
Accrued wages	123,695	-	-	-	-	-	123,695
Accrued payroll liabilities	534,065	-	-	-	-	-	534,065
Deposits	5,000	-	-	-	-	-	5,000
Unearned revenues	148,572	-	-	-	-	-	148,572
Other current liabilities	150,587	-	-	-	148,227	-	298,814
Accrued interest	-	-	13,467	-	-	-	13,467
Accrued compensated absences	-	-	2,095,047	-	-	-	2,095,047
Capital leases payable	-	-	1,090,225	-	-	-	1,090,225
Revenue bonds payable	-	-	8,749,505	-	-	-	8,749,505
County's proportionate share FRS pension plan	-	-	36,272,959	-	-	-	36,272,959
<b>Total liabilities</b>	<b>4,630,588</b>	<b>-</b>	<b>48,221,203</b>	<b>-</b>	<b>210,497</b>	<b>(1,645,456)</b>	<b>51,416,832</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,598,568</b>	<b>-</b>	<b>-</b>	<b>2,598,568</b>
<b>Fund balances/net position</b>	<b>\$ 47,845,307</b>	<b>\$ 116,899,015</b>	<b>\$ (48,221,203)</b>	<b>\$ 13,716,176</b>	<b>\$ (55,326)</b>	<b>\$ -</b>	<b>\$ 130,183,969</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 \$395,728 differs from the “change in net position” for governmental activities \$(3,194,830) 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.

Capital outlay and other additions	7,341,070
Depreciation expense	(10,190,586)
Difference	<u>\$ (2,849,516)</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	<u>\$ 1,833,031</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	\$ 104,419
Net change in accrued interest	4,073
Net change County's proportionate share FRS net pension liability	(2,788,659)
Net change pension related deferred outflows/inflows	161,420
Net change in fund balance in internal service fund	(55,326)
	<u>\$ (2,574,073)</u>

#### Reclassification and Eliminations

Transfers in and transfers out in the amount of \$34,292,057 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	Internal Service Fund	Reclassifications and Eliminations	Statement of Activities
<b>REVENUES</b>										
Taxes	\$ 31,170,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,170,844
Licenses and permits	8,869,630	-	-	-	-	-	-	-	-	8,869,630
Intergovernmental	14,674,031	-	-	-	-	-	-	-	-	14,674,031
Charges for services	6,415,677	-	-	-	-	-	-	1,484,306	-	7,899,983
Fines and forfeitures	223,890	-	-	-	-	-	-	-	-	223,890
Interest	269,093	-	-	-	-	-	-	-	-	269,093
Miscellaneous	956,973	-	-	-	-	-	-	-	-	956,973
Total revenues	62,580,138	-	-	-	-	-	-	1,484,306	-	64,064,444
<b>EXPENDITURES</b>										
<b>Current Expenditures</b>										
General government	9,905,259	743,085	-	(134,619)	-	587,020	(33,981)	-	-	11,066,764
Public safety	22,801,196	1,471,449	-	18,834	-	1,800,565	(104,223)	1,539,632	-	27,527,453
Physical environment	4,745,267	66,369	-	1,392	-	43,364	(2,510)	-	-	4,853,882
Transportation	6,730,793	7,485,499	-	4,825	(4,073)	185,961	(10,765)	-	-	14,392,240
Economic environment	1,748,057	90,705	-	(388)	-	26,662	(1,543)	-	-	1,863,493
Human services	2,649,605	58,704	-	-	-	1,667	(96)	-	-	2,709,880
Culture/recreation	2,324,033	346,336	-	5,005	-	57,244	(3,314)	-	-	2,729,304
Court related	2,149,079	-	-	532	-	86,176	(4,988)	-	-	2,230,799
<b>Capital outlay</b>										
General government	234,265	(234,265)	-	-	-	-	-	-	-	-
Public safety	2,876,053	(2,876,053)	-	-	-	-	-	-	-	-
Physical environment	68,920	(68,920)	-	-	-	-	-	-	-	-
Transportation	3,533,948	(3,533,948)	-	-	-	-	-	-	-	-
Economic environment	6,150	(6,150)	-	-	-	-	-	-	-	-
Culture/recreation	693,295	(693,295)	-	-	-	-	-	-	-	-
<b>Debt Service</b>										
Principal	1,833,031	-	(1,833,031)	-	-	-	-	-	-	-
Interest	213,063	-	-	-	-	-	-	-	-	213,063
Total expenditures	62,512,014	2,849,516	(1,833,031)	(104,419)	(4,073)	2,788,659	(161,420)	1,539,632	-	67,586,878
<b>Excess of revenues over (under) expenditures</b>	<b>68,124</b>	<b>(2,849,516)</b>	<b>1,833,031</b>	<b>104,419</b>	<b>4,073</b>	<b>(2,788,659)</b>	<b>161,420</b>	<b>(55,326)</b>	<b>-</b>	<b>(3,522,434)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Gain/loss on disposition of fixed assets	552,604	-	-	-	-	-	-	-	-	552,604
Transfers in	34,292,057	-	-	-	-	-	-	-	(34,292,057)	-
Transfers out	(34,517,057)	-	-	-	-	-	-	-	34,292,057	(225,000)
Total other financing sources (uses)	327,604	-	-	-	-	-	-	-	-	327,604
Net change in fund balances	395,728	(2,849,516)	1,833,031	104,419	4,073	(2,788,659)	161,420	(55,326)	-	(3,194,830)
Fund balances at beginning 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
Fund balances/net position at end of year	\$ 47,845,307	\$ 116,899,015	\$ (9,839,730)	\$ (2,095,047)	\$ (13,467)	\$ (36,272,959)	\$ 13,716,176	\$ (55,326)	\$ -	\$ 130,183,969

## 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, 2017, 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, 2017.

	Appropriations	Expenses	Variance Positive (Negative)
Enterprise funds			
Landfill enterprise	\$ 4,141,114	\$ 2,769,254	\$ 1,371,860
Utilities	2,508,747	306,123	2,202,624
	<u>\$ 6,649,861</u>	<u>\$ 3,075,377</u>	<u>\$ 3,574,484</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, 2017, the carrying amount of the County's deposits was \$27,510,758. 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, 2017.

In accordance with generally accepted accounting principles, the County's investments are categorized 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.

##### ***Florida PRIME***

The County's investment in Florida PRIME is administered by the Florida State Board of Administration (SBA). Florida PRIME is an external investment pool that is not a registrant with the SEC; however, the SBA has adopted operating procedures consistent with the requirements for a SEC Rule 2a-7 fund. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general

operating procedures for the administration of Florida PRIME. Additionally, the State of Florida, Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Throughout the year and as of September 30, 2017, Florida PRIME contained certain floating rate and adjustable rate securities that were indexed based on the prime rate and/or one- and three-month LIBOR. These floating rate and adjustable rate securities are used to hedge against interest risk and provide diversification to the portfolio. Exposure to a single issuer is limited to 5% of the portfolio's amortized cost. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form. At September 30, 2017, the County had \$37,560 invested in Florida PRIME. Florida PRIME's most recent financial statements can be found at <https://www.sbafla.com/prime/Audits/tabid/582Default.aspx>.

**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.

**Credit Risk.** Investments in the Florida State Board of Administration Pools (SBA) consist of the Local Government Surplus Funds Trust (Florida PRIME). The Florida PRIME is rated by Standard and Poors. The current rating is AAAM. The Investment Manager of the Florida PRIME manages credit risk by purchasing only high quality securities, performing a credit analysis to develop a database of issuers and securities that meet the Investment Manager's minimum standard and by regularly reviewing the portfolio's securities financial data, issuer news and developments, and ratings of the nationally recognized statistical rating organizations.

## **Fair Value Measurements**

In February 2015, GASB issued GASB Statement No. 72. GASB 72 applicability related to the application of fair value is limited to assets and liabilities that are currently measured at fair value and certain investments that are not currently measured at fair value.

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the participant account balance is considered the fair value of the investment. Florida PRIME investment is exempt from the GASB 72 fair value hierarchy disclosures.

As of September 30, 2017, the County's investment in the Florida PRIME investment pool is rated AAAM by Standard & Poors.

## **Investment Objective**

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Investment performance of Florida PRIME will be evaluated on a monthly basis against the Standard & Poors U.S. AAA & AA Rated GIP All 30 Day Net Yield Index. While there is no assurance that Florida PRIME will achieve its investment objectives, it endeavors to do so by following the investment strategies described in this Policy.

## **Interest Rate Risk**

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2017, is 51.9 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2017, is 80 days.

## **Foreign Currency Risk**

Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2016 through September 30, 2017.

## **Securities Lending**

Florida PRIME did not participate in a securities lending program in the period October 1, 2016 through September 30, 2017.

## **Fair Value Hierarchy**

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost; therefore, participant account balances should be also reported at amortized cost.

## ***The Florida Local Government Investment Trust Fund (Trust)***

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, 2017, the Trust had investments, at fair value, of approximately \$1.4442 billion. Of the total investments in the Trust, 16.56% was invested in commercial paper, 13.49% was invested in government securities, 30.05% was invested in corporates, 7.93% was invested in U.S. Treasuries, 24.23% was invested in Repurchase Agreements, 5.25% was invested in Certificates of Deposit, .28% was invested in money market funds, 2.21% was invested in CMO's. The Florida Trust Day to Day Fund (the fund) had a net position of \$438 million and the Short Term Bond Fund had a net position balance of \$1 billion. Investments in the Pool and Trust are reported at fair value based on the fair value per share of the underlying portfolio. The fund is a S&P AAAM rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity is 44.98 days as of September 30, 2017.



As of September 30, 2017, the County had investments with the following issuers in the percentages of total investments and categories shown below:

#### Schedule of Investments at September 30, 2017

Investment	Maturities	Fair Value	Percent	Category
State Board of Administration Local Government				
Local Government Surplus Trust Fund Florida PRIME	51.9 Day Average	\$ 37,561	0.11%	-
Florida Local Government Investment Pool	1.47 Year Average	19,393,669	55.45%	-
Florida Local Government Day to Day Fund	.12 Year Average	4,326,381	12.37%	-
Certificates of Deposit, Money Market	Daily - 36 months	11,214,716	32.07%	1
Total Investments		<u>\$ 34,972,327</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 2016-2017 fiscal year were levied in October 2016. 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, 2017, was as follows:

	Beginning Balance	Donations	Additions	Reclassifications/ Adjustments	Deletions	Balance
<b>Governmental activities:</b>						
Capital assets:						
Land	\$ 8,812,931	\$ -	\$ 676,974	\$ 90,385	\$ -	\$ 9,580,290
Land interests	1,609,985	-	-	(90,385)	-	1,519,600
Buildings	48,987,779	-	558,966	-	-	49,546,745
Improvements other than buildings	9,422,177	-	996,979	455,747	-	10,874,903
Road improvements	164,972,258	-	-	2,641,819	-	167,614,077
Construction in progress	7,987,331	-	3,371,635	(3,097,566)	-	8,261,400
Equipment	25,322,143	-	1,736,516	-	(1,260,610)	25,798,049
Total capital assets	267,114,604	-	7,341,070	-	(1,260,610)	273,195,064
Less accumulated depreciation	(147,366,073)	-	(10,190,586)	-	1,260,610	(156,296,049)
Governmental activities capital assets, net	<u>\$ 119,748,531</u>	<u>\$ -</u>	<u>\$ (2,849,516)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,899,015</u>
<b>Business-type activities:</b>						
Land	\$ 1,992,847	\$ -	\$ 94,271	\$ -	\$ -	\$ 2,087,118
Equipment	3,500,287	-	188,297	-	-	3,688,584
Buildings	639,714	-	-	-	-	639,714
Improvements	16,199,747	-	-	-	-	16,199,747
Construction in progress	228,252	-	1,015,893	-	-	1,244,145
Total capital assets	22,560,847	-	1,298,461	-	-	23,859,308
Less accumulated depreciation	(10,506,672)	-	(813,459)	-	-	(11,320,131)
Business-type activities capital assets, net	<u>\$ 12,054,175</u>	<u>\$ -</u>	<u>\$ 485,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,539,177</u>

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

Governmental activities:	
General government	\$ 743,085
Public safety	1,403,086
Physical environment	66,369
Transportation	7,482,301
Economic environment	90,705
Human services	58,704
Culture/recreation	346,336
Total depreciation expense - governmental activities	<u>\$ 10,190,586</u>
Business-type activities:	
Landfill enterprise	\$ 602,789
Utilities enterprise	210,670
Total depreciation expense - business-type activities	<u>\$ 813,459</u>

## 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	\$ 1,483,445	\$ 440,910
Special revenue funds:		
County transportation trust	440,910	-
Municipal services benefit unit	522,409	-
Court service fund	12,554	-
Sheriff special revenue	810,051	-
Paving assessment	-	-
Law enforcement special		14,000
Sheriff:		-
Operating	15,980	810,051
Inmate welfare	-	-
Clerk of Courts:		
Operating	151,155	102,762
Public records modernization	6,635	-
Reserved 10%	7,294	-
Teen court	1,449	7,294
Property Appraiser operating	-	50,161
Supervisor of Elections operating	-	26,181
Tax Collector operating	56,712	194,097
Sheriff Inmate Welfare	20,688	
Capital projects funds:		
Paving assessments	271	-
Agency funds:		
Clerk of Circuit Court		
Trust	-	195,037
Sheriff		
Individual depositors	-	5,257
Inmate welfare	-	22,669
Tax Collector		
Ad valorem tax	-	188,170
Tag agency	-	19,095
Enterprise Fund:		
Utilities	-	1,453,869 *
Totals	<u>\$ 3,529,553</u>	<u>\$ 3,529,553</u>

\* Not anticipated to be repaid within one year.

## NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2017, consisted of the following:

<b>Transfers from General Fund to:</b>	
Clerk of Courts Operating Fund	\$ 496,160
Property Appraiser Operating Fund	1,380,668
Sheriff Operating Fund	14,627,567
Supervisor of Elections Operating Fund	802,481
County Facilities Fund	750,000
<b>Transfers from Connector Road Project Fund to:</b>	
Road Improvement Fund	404,262
<b>Transfers from County Transportation Trust Fund to:</b>	
County Facilities Fund	725,000
<b>Transfer from Debt Services Fund to:</b>	
Road Improvement Fund	425,000
<b>Transfer from Economic Development Tax to:</b>	
Utilities Fund	225,000
<b>Transfer from Municipal Services Fund to:</b>	
General Fund	300,000
<b>Transfer from Sheriff Special Revenue Fund to:</b>	
Sheriff Operating Fund	14,144,642
<b>Transfer from Special Law Enforcement Fund to:</b>	
Sheriff Operating Fund	16,000
<b>Transfer from Supervisor of Elections Operating Fund to:</b>	
General Fund	26,181
<b>Transfer from Tax Collector Operating Fund to:</b>	
General Fund	194,096
<b>Total transfers</b>	<u><u>\$ 34,517,057</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, 2017, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
<b>Governmental activities:</b>			
General	\$ 69,237	\$ 863,332	\$ 932,569
County transportation trust	12,217	729,266	741,483
Municipal services	32,118	58,362	90,480
Sheriff operating	10,000	27,177	37,177
Clerk operating	-	19,851	19,851
Economic development	-	97,037	97,037
Road improvements capital projects	-	41,311	41,311
Other governmental	7,591	287,631	295,222
<b>Total governmental activities</b>	<b>\$ 131,163</b>	<b>\$ 2,123,967</b>	<b>\$ 2,255,130</b>
<b>Business-type activities:</b>			
Landfill enterprise, net	\$ 459,609	\$ -	\$ 459,609
Utilities	8,865	410,269	419,134
<b>Landfill enterprise</b>	<b>\$ 468,474</b>	<b>\$ 410,269</b>	<b>\$ 878,743</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 \$16,716.

Payables at September 30, 2017, were as follows:

	Vendors	Other Governmental Units	Total Payables
<b>Governmental activities:</b>			
General	\$ 623,892	\$ -	\$ 623,892
County transportation trust	456,862	-	456,862
Municipal services	171,524	-	171,524
Clerk of Court operating	3,822	49,571	53,393
Sheriff operating	145,927	-	145,927
Economic development	1,799	-	1,799
County facilities	328,062	-	328,062
Road improvement	32,201	-	32,201
Other governmental	194,507	15,046	209,553
Sheriff internal service fund	62,275	-	62,275
<b>Total governmental activities</b>	<b>\$ 2,020,871</b>	<b>\$ 64,617</b>	<b>\$ 2,085,488</b>
<b>Business-type activities:</b>			
Landfill enterprise	\$ 233,249	\$ -	\$ 233,249
Utilities	598,733	-	598,733
	<b>\$ 831,982</b>	<b>\$ -</b>	<b>\$ 831,982</b>

## NOTE 10. LONG-TERM LIABILITIES

### Governmental Activities

#### Revenue Bonds

- A. 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
2018	\$ 479,517	\$ 10,281	\$ 489,798
2019	36,513	928	37,441
Total	<u>\$ 516,030</u>	<u>\$ 11,209</u>	<u>\$ 527,239</u>

- B. 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
2018	\$ 570,000	\$ 76,242	\$ 646,242
2019	580,000	67,640	647,640
2020	588,000	58,895	646,895
2021	597,000	50,026	647,026
2022	606,000	41,014	647,014
2023	614,000	31,879	645,879
2024	624,000	22,602	646,602
2025	634,000	13,182	647,182
2026	484,000	3,620	487,620
Total	<u>\$ 5,297,000</u>	<u>\$ 365,100</u>	<u>\$ 5,662,100</u>

- C. 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 balance owed on the note at year end was

\$2,936,475. The following is a schedule of future principal and interest to be paid on the note:

**D.**

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	118,482	729	119,211
Total	<u>\$2,936,475</u>	<u>\$ 249,670</u>	<u>\$ 3,186,145</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%. This agreement was paid off in the current fiscal year.
- 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, 2017:

<u>Year Ending September 30</u>	
2018	\$ 639,340
2019	500,000
Less amount representing interest	(49,115)
Total	<u>\$ 1,090,225</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, 2017, 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, 2017, 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, 2017, 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
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
2022	10,525	29,602	81,187	11,064	132,378
Thereafter	102,224	277,822	120,315	30,800	531,161
Total	<u>\$ 152,112</u>	<u>\$ 419,918</u>	<u>\$ 505,566</u>	<u>\$ 123,718</u>	<u>\$ 1,201,314</u>

## **D. Changes in Long-term Liabilities**

Long-term liability activity for the year ended September 30, 2017, 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	\$ 981,439	\$ -	\$ (465,409)	\$ 516,030	\$ 479,517	\$ 424
Hancock Bank Gas Tax Revenue Series 2016	5,858,000	-	(561,000)	5,297,000	570,000	-
First Federal Bank Capital Improvement Series 2016	3,223,127	-	(286,652)	2,936,475	291,720	-
	<u>10,062,566</u>	<u>-</u>	<u>(1,313,061)</u>	<u>8,749,505</u>	<u>1,341,237</u>	<u>424</u>
<b>Capital Leases Payable:</b>						
Ring Investments M9C00251	133,980	-	(133,980)	-	-	-
Ring Investments M9C00252	133,980	-	(133,980)	-	-	-
Ring Investments M9C00254	133,980	-	(133,980)	-	-	-
Ring Investments M9C00285	146,596	-	(12,615)	133,981	133,981	1,619
Ring Investments M9C00286	146,596	-	(12,615)	133,981	133,981	1,619
Ring Investments M9C00316	146,597	-	(12,616)	133,981	133,981	1,619
Ring Investments M9C00323	146,597	-	(12,616)	133,981	133,981	1,618
Ring Investments M9C00418	155,467	-	(16,892)	138,575	17,428	1,642
Ring Investments M9C00417	155,467	-	(16,892)	138,575	17,428	1,642
Ring Investments M9C00419	155,467	-	(16,892)	138,575	17,428	1,642
Ring Investments M9C00428	155,467	-	(16,891)	138,576	17,428	1,642
	<u>1,610,194</u>	<u>-</u>	<u>(519,969)</u>	<u>1,090,225</u>	<u>605,636</u>	<u>13,043</u>
<b>Other Liabilities:</b>						
Compensated Absences	2,199,464	-	(104,417)	2,095,047	314,257	-
Net pension liability	33,484,300	2,788,659	-	36,272,959	4,722,189	-
	<u>\$ 47,356,524</u>	<u>\$ 2,788,659</u>	<u>\$ (1,937,447)</u>	<u>\$ 48,207,736</u>	<u>\$ 5,036,446</u>	<u>\$ 13,467</u>
<b>BUSINESS ACTIVITIES</b>						
<b>Loan agreements payable:</b>						
Department of Environmental Regulation	1,184,843	-	(107,247)	1,077,596	107,009	5,726
<b>Other Liabilities</b>						
Compensated Absences	35,029	10,585	-	45,614	6,392	-
Estimated liability for landfill closure	9,785,167	-	3,915,538	5,869,629	921,820	-
Net pension liability	397,859	439,249	-	837,108	106,225	-
	<u>\$ 10,218,055</u>	<u>\$ 449,834</u>	<u>\$ (202,459)</u>	<u>\$ 11,402,898</u>	<u>\$ 1,034,437</u>	<u>\$ 5,726</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.

\$5,869,629 is reported as landfill closure and postclosure care liability at September 30, 2017, represents the cumulative amount reported to date based on the use of 10.3 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 2017. 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, 2017, 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	
2018	\$ 343,026
2019	163,178
2020	50,365
2021	7,478
2022	1,513
	<u>\$ 565,560</u>

Lease expense for the fiscal year ended September 30, 2017 was \$404,067.

## 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, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017, respectively, were as follows: Regular—7.52% and 7.92%; Special Risk Administrative Support—28.06% and 34.63%; Special Risk—22.57% and 23.27%; Senior Management Service—21.77% and 22.71%; Elected Officers'—42.47% and 45.50%; and DROP participants—12.99% and 13.26%. These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017, respectively.

The County's contributions to the Pension Plan totaled \$2,933,891 for the fiscal year ended September 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2017, the County reported a liability of \$29,895,132 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of July 1, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The County's proportionate share of the net pension liability was based on the County's 2016-17 fiscal year contributions relative to the 2015-16 fiscal year contributions of all participating members. At June 30, 2017, the County's proportionate share was .10107 percent, which was

an increase (decrease) of (.001985) percent from its proportionate share measured as of June 30, 2015.

For the fiscal year ended September 30, 2017, the County recognized pension expense of \$5,221,187. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,743,654	\$ (165,604)
Changes in assumptions	10,046,875	-
Net difference between projected and actual earnings on Pension Plan investments	-	(740,876)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	1,780,610	(986,225)
County Pension Plan contributions subsequent to the measurement date	748,226	-
Total	<u>\$ 15,319,365</u>	<u>\$ (1,892,705)</u>

The deferred outflows of resources related to the Pension Plan, totaling \$748,226 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:

Fiscal Year Ending	
September 30	
2018	\$ 1,654,860
2019	4,398,500
2020	3,075,436
2021	628,384
2022	2,125,327
Thereafter	795,927
	<u>\$ 12,678,434</u>

**Actuarial Assumptions** – The total pension liability in the July 1, 2017 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	7.10%, 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, 2017, 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%	1.80%
Fixed income	18.00%	4.50%	4.40%	4.20%
Global equity	53.00%	7.80%	6.60%	17.00%
Real estate (property)	10.00%	6.60%	5.90%	12.80%
Private equity	8.00%	11.50%	7.80%	30.00%
Strategic investments	12.00%	6.10%	5.60%	9.70%
Total	102.00%			
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 7.10%. 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 7.10%, 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 (6.10%) or one percentage point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
County's proportionate share of the net pension liability	\$ 54,108,383	\$ 29,895,132	\$ 9,792,586

**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, 2017, the County reported a payable in the amount of \$183,545 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2017.

### **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, 2017, 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, 2017, the HIS contribution for the period October 1, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017 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 \$357,107 for the fiscal year ended September 30, 2017.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At September 30, 2017, the County reported a liability of \$7,214,935 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2017, 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 2016-17 fiscal year contributions relative to the 2015-16 fiscal year contributions of all participating members. At June 30, 2017, the County's proportionate share was .06747 percent, which was an increase of .00002 percent from its proportionate share measured as of June 30, 2016.

For the fiscal year ended September 30, 2017, the County recognized pension expense of \$578,025. In addition the County reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (15,023)
Changes in assumptions	1,014,172	(623,883)
Net difference between projected and actual earnings on HIS Plan investments	4,001	-
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	256,259	(126,927)
County HIS Plan contributions subsequent to the measurement date	97,459	-
Total	<u>\$ 1,371,891</u>	<u>\$ (765,833)</u>

The deferred outflows of resources related to the HIS Plan, totaling \$97,459 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, 2017. 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:

Fiscal Year Ending September 30	
2018	\$ 158,550
2019	157,536
2020	157,048
2021	117,741
2022	46,432
Thereafter	(128,708)
	<u>\$ 508,599</u>

**Actuarial Assumptions** – The total pension liability in the July 1, 2017, 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	3.58 %

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

The actuarial assumptions used in the July 1, 2017, 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 3.58%. 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 3.58%, 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 (2.58%) or one percentage point higher (4.58%) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
County's proportionate share of the net pension liability	\$ 8,233,197	\$ 7,214,935	\$ 6,366,780

**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, 2017, the County reported a payable in the amount of \$24,912 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2017.

#### **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 2016-17 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, 2017, 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, 2017.

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

As of September 30, 2017, 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	940,532	-	-	-	-
Southside Recreation Center	-	625,453	-	-	-
Utilities fund advance	-	-	-	971,030	-
Debt covenant	-	-	1,000,000	-	-
Vessel registration fees	-	-	29,785	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Undesignated	-	-	-	-	12,051,015
	<u>\$ 940,532</u>	<u>\$ 674,559</u>	<u>\$ 1,029,785</u>	<u>\$ 971,030</u>	<u>\$ 12,051,015</u>
<b>Other governmental funds:</b>					
<b>Board of County Commissioners</b>					
Capital Projects - County Facilities	\$ -	\$ 4,462,804	\$ -	\$ -	\$ -
Community Development Block Grant	-	-	-	-	-
Connector Road Project	-	-	-	-	-
County Transportation Trust	-	-	5,532,141	93,091	-
Court Reporters	19,039	-	-	-	-
Court Services	-	-	899,640	-	-
Economic Development	-	468,393	-	44,998	-
Impact Fees	-	-	298,936	-	-
Law Enforcement Special	-	-	38,606	-	-
Library Enhancement Grant	-	-	468,622	-	-
Municipal Services Benefit Unit	-	-	4,136,164	-	-
Paving Assessments	-	-	161,029	-	-
Road Improvement	-	8,198,873	-	-	-
Road Improvement Debt Service	-	-	95,997	-	-
Sheriff Special Revenue	-	-	4,080,954	-	-
SHIP	-	-	13,516	-	-
Tourist Development Tax	-	-	2,264,929	-	-
<b>Clerk of Courts</b>					
Public Records Modernization Trust	-	-	192,667	-	-
Reserved 10%	-	-	137,822	-	-
Teen Court	-	-	(5,995)	-	-
<b>Sheriff</b>					
Work Program	-	-	10,216	-	-
Forfeiture Fund	-	-	30,426	-	-
Forfeiture Nongrant	-	-	164,973	-	-
Inmate Welfare	-	-	350,897	-	-
Minimum Standards School	-	-	19,648	-	-
Total other governmental funds	<u>19,039</u>	<u>13,130,070</u>	<u>18,891,188</u>	<u>138,089</u>	<u>-</u>
Total	<u>\$ 959,571</u>	<u>\$ 13,804,629</u>	<u>\$ 19,920,973</u>	<u>\$ 1,109,119</u>	<u>\$ 12,051,015</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, 2017 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 either the amount of such additional assessments, which might have to be paid by the County or the losses which might have to be borne by the County.

The Sheriff utilizes a pooled, self-funded health plan to provide comprehensive medical benefits to the employees, retirees and their dependents. It is funded by contributions from the Sheriff's Office and employees. In compliance with *Florida Statute* Section 112.08, an actuarial review of the Plan demonstrates the current rate structure of the Plan plus the current net assets available for benefits appears adequate to support current outstanding claims as well as those projected claims and expenses for the next Plan year.

Excess insurance is purchased from a commercial carrier to provide a specific claim and aggregate limits coverage. Specific claim coverage benefits the covered individual by providing unlimited coverage to begin where a specific claim exceeds \$70,000 plus an additional corridor of \$142,922. Aggregate limits coverage limits the Sheriff's total risk exposure. This coverage provides the Sheriff with an additional \$1,000,000 in coverage for the coverage year when the costs of total claims paid less the total paid under the specific claim excess coverage exceeds 125% of the expected claims for the current Plan year.

The Sheriff uses an internal service fund to account for risks from medical benefit claims. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At September 30, 2017, the amount of these liabilities was \$(148,227). This liability has been determined based on an actuarial evaluation of all claims reported and all claims incurred but not reported (IBNR), as of September 30, 2017. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

#### **Reconciliation of Claims Liabilities for Medical Benefits**

	As of September 30, 2017
Unpaid claims and adjustment expense at beginning of year	\$ -
Incurred claims and claim adjustment expenses	
(A) Provision for insured events of current fiscal year	1,216,219
(B) Increases (decreases) in provision for insured events of prior fiscal years	-
Total incurred claims and claim adjustment expenses	<u>1,216,219</u>
Payments	
(A) Claims and claim adjustment expense attributable to insured claims of current fiscal year	1,364,446
(B) Claims and claim adjustment expenses attributable to insured events of prior fiscal year	-
Total payments	<u>1,364,446</u>
Unpaid claims and claim adjustment expense at end of year	<u>\$ (148,227)</u>

#### **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.

**NOTE 19. PRIOR PERIOD ADJUSTMENT**

The prior period retained earnings of the Landfill Fund was adjusted in the current year for a change in the estimate of long-term landfill closure costs. The adjustment was an increase to the net position and a decrease in the landfill closure liability as follows:

	<u>Beginning Balance</u>	<u>Adjustment</u>	<u>Adjusted Balance</u>
Net Position	\$ 8,603,827	\$ 3,915,538	\$ 12,519,365
Estimated Landfill Closure Liability	\$ 9,785,167	\$ (3,915,538)	\$ 5,869,629

## **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, 2017**

	<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>				
Taxes	\$ 23,399,519	\$ 23,399,519	\$ 22,570,572	\$ (828,947)
Licenses, permits , special assessments	20,000	20,000	19,096	(904)
Intergovernmental	5,355,501	6,673,869	5,894,111	(779,758)
Charges for services	2,072,020	2,122,020	2,148,722	26,702
Fines and forfeitures	78,000	78,000	68,712	(9,288)
Interest	80,000	80,000	129,485	49,485
Miscellaneous	87,500	179,755	196,327	16,572
<b>Total revenues</b>	<b>31,092,540</b>	<b>32,553,163</b>	<b>31,027,025</b>	<b>(1,526,138)</b>
<b>EXPENDITURES</b>				
Current operating:				
General government	4,681,286	4,842,991	4,750,340	92,651
Public safety	3,182,395	4,416,867	3,437,056	979,811
Physical environment	1,321,219	1,326,219	1,217,589	108,630
Economic environment	178,870	189,988	172,403	17,585
Human services	2,940,273	2,952,239	2,649,605	302,634
Culture/recreation	600,163	634,121	696,725	(62,604)
Capital outlay:				
General government	170,000	133,964	131,431	2,533
Public safety	11,000	491,071	94,554	396,517
Physical environment	20,000	30,375	29,090	1,285
Culture/recreation	-	1,688,209	28,568	1,659,641
<b>Total expenditures</b>	<b>13,105,206</b>	<b>16,706,044</b>	<b>13,207,361</b>	<b>3,498,683</b>
<b>Excess of revenues over expenditures</b>	<b>17,987,334</b>	<b>15,847,119</b>	<b>17,819,664</b>	<b>1,972,545</b>
<b>Other Financing Sources (Uses)</b>				
Sale of fixed assets	-	-	2,765	2,765
Transfers in	300,000	476,617	673,200	196,583
Transfers out	(17,401,300)	(18,058,037)	(18,056,877)	1,160
<b>Total other financing sources (uses)</b>	<b>(17,101,300)</b>	<b>(17,581,420)</b>	<b>(17,380,912)</b>	<b>200,508</b>
<b>Net change in fund balance</b>	<b>886,034</b>	<b>(1,734,301)</b>	<b>438,752</b>	<b>2,173,053</b>
<b>Fund balance, beginning of year</b>	<b>15,228,169</b>	<b>15,228,169</b>	<b>15,228,169</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 16,114,203</b>	<b>\$ 13,493,868</b>	<b>\$ 15,666,921</b>	<b>\$ 2,173,053</b>

See notes to required supplementary information.

**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, 2017**

	<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>				
Taxes	\$ 4,230,000	\$ 4,230,000	\$ 4,140,232	\$ (89,768)
Intergovernmental	4,712,000	4,712,000	4,768,869	56,869
Charges for services	6,500	6,500	5,265	(1,235)
Interest	15,000	15,000	36,668	21,668
Miscellaneous	120,000	352,743	418,418	65,675
<b>Total revenues</b>	<b>9,083,500</b>	<b>9,316,243</b>	<b>9,369,452</b>	<b>53,209</b>
<b>EXPENDITURES</b>				
Current operating:				
Physical environment	-	19,335	12,197	7,138
Transportation	8,087,761	8,233,919	6,725,236	1,508,683
Capital outlay:				
Transportation	527,000	729,615	577,233	152,382
Debt service:				
Principal	192,000	372,080	519,970	(147,890)
Interest	41,400	41,400	49,428	(8,028)
<b>Total expenditures</b>	<b>8,848,161</b>	<b>9,396,349</b>	<b>7,884,064</b>	<b>1,512,285</b>
<b>Excess of revenues over expenditures</b>	<b>235,339</b>	<b>(80,106)</b>	<b>1,485,388</b>	<b>1,565,494</b>
<b>Other Financing Sources</b>				
Sale of surplus equipment	-	50,000	350,039	300,039
Transfers out	(725,000)	(725,000)	(725,000)	-
<b>Total other financing sources</b>	<b>(725,000)</b>	<b>(675,000)</b>	<b>(374,961)</b>	<b>300,039</b>
<b>Net change in fund balance</b>	<b>(489,661)</b>	<b>(755,106)</b>	<b>1,110,427</b>	<b>1,865,533</b>
<b>Fund balance, beginning of year</b>	<b>4,514,805</b>	<b>4,514,805</b>	<b>4,514,805</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 4,025,144</b>	<b>\$ 3,759,699</b>	<b>\$ 5,625,232</b>	<b>\$ 1,865,533</b>

See notes to required supplementary information.

**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, 2017**

	<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>				
Taxes	\$ 780,000	\$ 780,000	\$ 780,000	\$ -
Licenses, permits and assessments	9,455,600	9,455,600	8,832,825	(622,775)
Intergovernmental	245,250	261,286	295,190	33,904
Charges for services	13,100	13,100	48,588	35,488
Interest	18,000	18,000	30,926	12,926
Miscellaneous	33,300	34,353	79,763	45,410
<b>Total revenues</b>	<b>10,545,250</b>	<b>10,562,339</b>	<b>10,067,292</b>	<b>(495,047)</b>
<b>EXPENDITURES</b>				
Current operating:				
General government	346,185	344,527	326,369	18,158
Public safety	5,804,244	5,946,377	5,858,750	87,627
Physical environment	3,580,091	3,580,091	3,495,411	84,680
Economic environment	9,850	13,508	13,507	1
Capital outlay:				
Public safety	-	863,933	183,902	680,031
Debt service:				
Principal	286,673	286,673	286,652	21
Interest	54,497	54,497	54,518	(21)
<b>Total expenditures</b>	<b>10,081,540</b>	<b>11,089,606</b>	<b>10,219,109</b>	<b>870,497</b>
<b>Excess of revenues over expenditure</b>	<b>463,710</b>	<b>(527,267)</b>	<b>(151,817)</b>	<b>375,450</b>
<b>Other Financing Sources (Uses)</b>				
Sale of fixed asses	-	-	199,800	199,800
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>199,800</b>	<b>199,800</b>
<b>Net change in fund balance</b>	<b>463,710</b>	<b>(527,267)</b>	<b>47,983</b>	<b>575,250</b>
<b>Fund balance, beginning of year</b>	<b>4,088,181</b>	<b>4,088,181</b>	<b>4,088,181</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 4,551,891</b>	<b>\$ 3,560,914</b>	<b>\$ 4,136,164</b>	<b>\$ 575,250</b>

See notes to required supplementary information.



**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, 2017**

	<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	\$ 146,948	\$ 146,948	\$ 133,249	\$ (13,699)
Charges for services	1,673,038	1,627,930	1,585,553	(42,377)
Fines and forfeitures	-	-	25,842	25,842
<b>Total revenues</b>	<b>1,819,986</b>	<b>1,774,878</b>	<b>1,744,644</b>	<b>(30,234)</b>
<b>EXPENDITURES</b>				
<b>Current operating:</b>				
General government	786,264	786,264	750,483	35,781
Court-related	1,430,986	1,484,774	1,387,559	97,215
<b>Total expenditures</b>	<b>2,217,250</b>	<b>2,271,038</b>	<b>2,138,042</b>	<b>132,996</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(397,264)</b>	<b>(496,160)</b>	<b>(393,398)</b>	<b>102,762</b>
<b>Other financing sources</b>				
Interfund transfers in	397,264	496,160	393,398	(102,762)
<b>Total other financing sources</b>	<b>397,264</b>	<b>496,160</b>	<b>393,398</b>	<b>(102,762)</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 required supplementary information.

**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, 2017**

	<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	\$ -	\$ -	\$ 116,455	\$ 116,455
Charges for services	-	-	102,491	102,491
Miscellaneous	-	-	156,271	156,271
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>375,217</u>	<u>375,217</u>
<b>EXPENDITURES</b>				
Current operating:				
Public safety	13,495,542	13,583,542	13,150,519	433,023
Capital outlay:				
Public safety	370,000	577,100	576,289	811
<b>Total expenditures</b>	<u>13,865,542</u>	<u>14,160,642</u>	<u>13,726,808</u>	<u>433,834</u>
<b>Excess of revenues over     expenditures</b>	<u>(13,865,542)</u>	<u>(14,160,642)</u>	<u>(13,351,591)</u>	<u>809,051</u>
<b>Other Financing Sources</b>				
Transfers in	13,865,542	14,160,642	13,351,591	(809,051)
<b>Total other financing sources</b>	<u>13,865,542</u>	<u>14,160,642</u>	<u>13,351,591</u>	<u>(809,051)</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to required supplementary information.

**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, 2017**

	<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	\$ 1,225,000	\$ 1,534,886	\$ 1,284,977	\$ (249,909)
Interest	5,000	5,000	3,558	(1,442)
Miscellaneous	-	-	1,400	1,400
<b>Total revenues</b>	<u>1,230,000</u>	<u>1,539,886</u>	<u>1,289,935</u>	<u>(249,951)</u>
<b>EXPENDITURES</b>				
Current operating				
Economic environment	452,191	755,577	567,949	187,628
Capital outlay				
Economic environment	-	6,500	6,150	350
Debt service:				
Principal	465,204	465,204	465,409	(205)
Interest	24,594	24,594	24,389	205
<b>Total expenditures</b>	<u>941,989</u>	<u>1,251,875</u>	<u>1,063,897</u>	<u>187,978</u>
<b>Excess of revenues over expenditures</b>	<u>288,011</u>	<u>288,011</u>	<u>226,038</u>	<u>(61,973)</u>
<b>Other Financing (Uses)</b>				
Transfers out	(1,015,000)	(225,000)	(225,000)	-
<b>Total other financing (uses)</b>	<u>(1,015,000)</u>	<u>(225,000)</u>	<u>(225,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(726,989)</u>	<u>63,011</u>	<u>1,038</u>	<u>(61,973)</u>
<b>Fund balance, beginning of year</b>	<u>512,353</u>	<u>512,353</u>	<u>512,353</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ (214,636)</u>	<u>\$ 575,364</u>	<u>\$ 513,391</u>	<u>\$ (61,973)</u>

See notes to required supplementary information.

**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, 2017**

	<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	\$ 5,260,000	\$ 5,320,000	\$ -	\$ (5,320,000)
Charges for services	-	3,575	31,825	\$ 28,250
<b>Total revenues</b>	<u>5,260,000</u>	<u>5,323,575</u>	<u>31,825</u>	<u>(5,291,750)</u>
<b>EXPENDITURES</b>				
Current expenditures:				
General government	325,362	258,553	173,190	85,363
Public safety	71,000	71,000	99,444	(28,444)
Physical environment	302,000	304,846	20,070	284,776
Transportation	-	10,000	-	10,000
Culture/recreation	530,250	441,897	256,882	185,015
Capital outlay:				
Public safety	9,000,000	9,000,000	1,869,275	7,130,725
Physical environment	2,260,000	2,257,304	39,830	2,217,474
Culture/recreation	496,000	788,773	655,987	132,786
<b>Total expenditures</b>	<u>12,984,612</u>	<u>13,132,373</u>	<u>3,114,678</u>	<u>10,017,695</u>
<b>Excess of revenues over expenditures</b>	<u>(7,724,612)</u>	<u>(7,808,798)</u>	<u>(3,082,853)</u>	<u>4,725,945</u>
<b>Other financing sources (uses)</b>				
Interfund transfers in	1,475,000	1,475,000	1,475,000	-
Interfund transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>1,475,000</u>	<u>1,475,000</u>	<u>1,475,000</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(6,249,612)</u>	<u>(6,333,798)</u>	<u>(1,607,853)</u>	<u>4,725,945</u>
<b>Fund balance, beginning of year</b>	<u>6,070,657</u>	<u>6,070,657</u>	<u>6,070,657</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ (178,955)</u>	<u>\$ (263,141)</u>	<u>\$ 4,462,804</u>	<u>\$ 4,725,945</u>

See notes to required supplementary information.

**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, 2017**

	<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>				
Taxes	\$ 150,000	\$ 150,000	\$ 150,000	\$ -
Intergovernmental	7,665,230	8,321,908	931,828	(7,390,080)
Interest	-	-	40,678	40,678
<b>Total revenues</b>	<u>7,815,230</u>	<u>8,471,908</u>	<u>1,122,506</u>	<u>(7,349,402)</u>
<b>EXPENDITURES</b>				
Current operating:				
Transportation	406,250	787,938	4,600	783,338
Capital outlay:				
Transportation	16,243,896	16,820,924	2,956,715	13,864,209
<b>Total expenditures</b>	<u>16,650,146</u>	<u>17,608,862</u>	<u>2,961,315</u>	<u>14,647,547</u>
<b>Excess of revenues over expenditures</b>	<u>(8,834,916)</u>	<u>(9,136,954)</u>	<u>(1,838,809)</u>	<u>7,298,145</u>
<b>Other Financing Sources</b>				
Transfers in	825,000	825,000	829,262	4,262
<b>Total other financing sources</b>	<u>825,000</u>	<u>825,000</u>	<u>829,262</u>	<u>4,262</u>
<b>Net change in fund balance</b>	<u>(8,009,916)</u>	<u>(8,311,954)</u>	<u>(1,009,547)</u>	<u>7,302,407</u>
<b>Fund balance, beginning of year</b>	<u>9,208,420</u>	<u>9,208,420</u>	<u>9,208,420</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,198,504</u>	<u>\$ 896,466</u>	<u>\$ 8,198,873</u>	<u>\$ 7,302,407</u>

See notes to required supplementary information.

**COLUMBIA COUNTY, FLORIDA**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>County's proportion of the net pension liability</b>				
Retirement	0.1011%	0.1031%	0.0980%	0.0918%
Health insurance subsidy	0.0675%	0.0675%	0.0672%	0.0675%
 <b>County's proportionate share of the net pension liability</b>				
Retirement	\$ 29,895,132	\$ 26,020,964	\$ 12,652,261	\$ 6,073,497
Health insurance subsidy	7,214,936	7,861,195	6,853,010	5,603,796
<b>Total</b>	<u><b>\$ 37,110,068</b></u>	<u><b>\$ 33,882,159</b></u>	<u><b>\$ 19,505,271</b></u>	<u><b>\$11,677,293</b></u>
 <b>County's covered payroll</b>	 \$ 22,085,094	 \$ 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>	 168.03%	 157.57%	 91.77%	 55.96%
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	 83.89%	 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.

See notes to required supplementary information.

**COLUMBIA COUNTY, FLORIDA**

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS**  
**FLORIDA RETIREMENT SYSTEM**  
**LAST FOUR FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Contractually required contributions</b>				
Pension plan	\$ 2,933,891	\$ 3,081,793	\$ 2,603,392	\$ 2,366,976
Health insurance subsidy	357,107	345,742	340,622	301,780
	<u>\$ 3,290,998</u>	<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>	\$ 3,290,998	\$ 3,427,535	\$ 2,944,014	\$ 2,608,294
<b>Contribution deficiency</b>	\$ -	\$ -	\$ -	\$ -
<b>County's covered employee payroll</b>	\$ 22,085,094	\$ 21,502,670	\$ 21,254,324	\$ 20,866,802
<b>Contributions as a percentage of covered employee payroll</b>	14.90%	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.

See notes to required supplementary information.

**COLUMBIA COUNTY, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended September 30, 2017**

**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, 2017 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.



The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2017.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive (Negative)</u>
Enterprise funds			
Landfill enterprise	\$ 4,141,114	\$ 2,769,254	\$ 1,371,860
Utilities	2,508,747	306,123	2,202,624
	<u>\$ 6,649,861</u>	<u>\$ 3,075,377</u>	<u>\$ 3,574,484</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, 2017, are shown below (in thousands):

	<u>FRS</u>	<u>HIS</u>
Total Pension Liability	\$ 183,632,592,000	\$ 10,870,772,218
Plan fiduciary net position	154,053,262,968	178,310,841
Net Pension Liability	<u>\$ 29,579,329,032</u>	<u>\$ 10,692,461,377</u>

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

83.89%

1.64%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2017. 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, 2016 and 2017, respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal year 2017, 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 7.10%. 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 7.10%.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.58% 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 2017:

- **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 7.60% in 2016 to 7.10%
- **HIS:** The municipal bonds rate used to determine total pension liability was increased from 2.85% to 3.58%.

**FUND INDIVIDUAL AND  
COMBINING STATEMENTS**

**COLUMBIA COUNTY, FLORIDA  
SHERIFF  
INTERNAL SERVICE FUND  
FLORIDA SHERIFF'S MULTIPLE EMPLOYERS TRUST  
SELF-INSURED CONSORTIUM**

**STATEMENT OF NET ASSETS AND CHANGES IN NET ASSETS  
September 30, 2017**

**Assets**

Cash	\$ 27,163
AR - Stop Loss Reimbursements	128,008
	<u>155,171</u>

**Liabilities & Equity**

AP - Carriers	2,270
AP - Line of Credit	60,000
IBNR	148,227
	<u>210,497</u>

**Reserves**

FY 2017 Operating Reserves	<u>\$ (55,326)</u>
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**Revenue**

Medical	\$1,249,966
Add'l Claims Funding	231,670
Pharmaceutical Rebates	2,670
	<u>1,484,306</u>

**Claims**

Claims - Medical	1,037,533
Claims - Rx	176,087
Claims - Mental Health	2,770
Claims - Refunds/Recoveries	(171)
Claims - Stop Loss - Excess Claims	(128,008)
Claims - CY IBNR Actuary	148,227
Claims - Administration	29,300
	<u>1,265,738</u>

**Other Expenses**

Premium - Network Access Fee	8,641
Premium - Care Coordinator	38,568
Premium - Stop Loss	201,735
Fees - Actuary	1,571
Fees - Trust Admin - Health	22,831
Other	548
	<u>273,894</u>

<b>Net Assets Available for Benefits</b>	<u><u>\$ (55,326)</u></u>
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See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
SHERIFF  
INTERNAL SERVICE FUND  
FLORIDA SHERIFF'S MULTIPLE EMPLOYERS TRUST  
SELF-INSURED CONSORTIUM**

**STATEMENT OF CHANGES IN FUND BALANCE  
For the Fiscal Year Ended September 30, 2017**

**MEMBERSHIP CONTRIBUTIONS**

Health	\$ 1,249,966
Additional Funding	231,670
<b>TOTAL MEMBERSHIP CONTRIBUTIONS</b>	<u>1,481,636</u>

**OTHER INCOME**

Pharmacy Rebates	2,670
<b>TOTAL OTHER INCOME</b>	<u>2,670</u>

<b>TOTAL INCOME</b>	<u><u>\$ 1,484,306</u></u>
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**CLAIMS & CLAIM EXPENSES**

Claims Paid - Medical	\$ 1,037,362
Claims Paid - Prescriptions	176,087
Claims Paid - Excess Reimbursements	(128,008)
Claims Paid - Mental Health/Substance Abuse	2,770
Claims Administration - Medical	29,421
Change in Claims Incurred But Not Reported (IBNR)	148,227
<b>TOTAL CLAIMS &amp; CLAIMS EXPENSES</b>	<u>1,265,859</u>

**OTHER EXPENSES**

Trust Administration Fee	22,830
Network Access	8,641
Care Coordinator	38,568
Stop Loss	201,735
ACA BenefitSolver	428
Actuary Services	1,571
<b>TOTAL OTHER EXPENSES</b>	<u>273,773</u>

<b>TOTAL EXPENSES</b>	<u><u>\$ 1,539,632</u></u>
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<b>FUND BALANCE</b>	<u><u>\$ (55,326)</u></u>
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See notes to financial statements.

**FLORIDA SHERIFF'S MULTIPLE EMPLOYERS TRUST  
SELF-INSURED CONSORTIUM**

**STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended September 30, 2017**

	<b>2017</b>
<b>Cash Flows from Operating Activities</b>	
Change in Net Assets Available	\$ (55,326)
Adjustments to reconcile operating loss to net cash: (used in) provided by operating activities	
Receivables	(128,008)
Prepaid expenses	-
Accounts payable and other	2,268
Due to participating Sheriff offices	
due to administrator	-
Advance Premiums	-
Reserve for unpaid claims	
and claims adjustment expenses	148,227
	-
Net Cash (used in) provided by operating activities	<u>\$ (32,838)</u>
<b>Cash Flows from Investing Activities</b>	
Line of credit, net	\$ 60,001
Decrease in fair value of investments	-
Investment income	-
Purchases of investments and reinvested earnings	-
Net cash used in investing activities	<u>60,001</u>
	-
(Decrease) increase in cash and cash equivalents	27,163
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, end of year	<u>\$ 27,163</u>

Supplemental disclosure of cash flow information  
See notes to financial statements.

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

**September 30, 2017**

					Special	Revenue	Funds				
	Clerk of Courts			Property Appraiser	Sheriff					Supervisor of Elections	Tax Collector
	Public Records				Minimum Standards						
	Modernization	Reserved			School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program		
	Trust	10%	Teen Court	Operating						Operating	Operating
ASSETS											
Current assets											
Cash	\$ 191,802	\$ 130,528	\$ -	\$ 54,287	\$ 21,863	\$ 26,016	\$ 385,940	\$ 164,973	\$ 10,216	\$ 50,783	\$ 189,256
Accounts receivable	-	-	-	-	-	-	3,947	-	-	-	2,443
Due from other funds	6,635	7,294	1,449	-	-	-	20,688	-	-	-	56,712
Due from other governmental units	-	-	-	-	-	4,627	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 198,437	\$ 137,822	\$ 1,449	\$ 54,287	\$ 21,863	\$ 30,643	\$ 410,575	\$ 164,973	\$ 10,216	\$ 50,783	\$ 248,411
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Current liabilities											
Accounts payable	\$ 5,770	\$ -	\$ 150	\$ -	\$ 2,215	\$ 217	\$ 59,678	\$ -	\$ -	\$ 19,015	\$ 28,911
Accrued wages	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	5,587	14,483
Due to other funds	-	-	7,294	50,161	-	-	-	-	-	26,181	194,097
Due to other governmental units	-	-	-	4,126	-	-	-	-	-	-	10,920
Deposits	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	5,770	-	7,444	54,287	2,215	217	59,678	-	-	50,783	248,411
FUND BALANCES											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	192,667	137,822	(5,995)	-	19,648	30,426	350,897	164,973	10,216	-	-
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	192,667	137,822	(5,995)	-	19,648	30,426	350,897	164,973	10,216	-	-
Total liabilities and fund balances	\$ 198,437	\$ 137,822	\$ 1,449	\$ 54,287	\$ 21,863	\$ 30,643	\$ 410,575	\$ 164,973	\$ 10,216	\$ 50,783	\$ 248,411

(continued)

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

**September 30, 2017**

	Special Revenue Funds							Debt Service Fund	Capital Projects		Total Nonmajor Governmental Funds	
	Board of County Commissioners											
	Court Reporters	Court Service	Impact Fees	Law Enforcement Special	Library Enhancement Grant	SHIP	Tourist Development Tax	Sheriff Special Revenue	Road Improvement	Paving Assessments		Connector Road Project
ASSETS												
Cash	\$ 27,918	\$ 560,566	\$ 45,506	\$ 51,111	\$ 422,548	\$ 59,205	\$ 773,447	\$ 3,270,903	\$ 15,290	\$ 161,508	\$ -	\$ 6,613,666
Accounts and interest receivable	-	-	500	-	-	-	701	-	-	-	-	7,591
Due from other funds	-	12,554	-	-	-	-	-	810,051	-	271	-	915,654
Due from other governmental uni	-	22,012	-	-	85,555	-	94,730	-	80,707	-	-	287,631
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	305,587	252,930	1,495	-	-	1,413,199	-	-	-	-	1,973,211
Total assets	\$ 27,918	\$ 900,719	\$ 298,936	\$ 52,606	\$ 508,103	\$ 59,205	\$ 2,282,077	4,080,954	\$ 95,997	\$ 161,779	\$ -	\$ 9,797,753
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current liabilities												
Accounts payable	\$ 8,879	\$ 701	\$ -	\$ -	\$ 28,049	\$ 25,000	\$ 15,172	-	\$ -	\$ 750	\$ -	194,507
Accrued wages payable	-	378	-	-	11,432	-	1,976	-	-	-	-	13,786
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-	-	20,070
Due to other funds	-	-	-	14,000	-	-	-	-	-	-	-	291,733
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	15,046
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	20,689	-	-	-	-	-	20,689
Total liabilities	8,879	1,079	-	14,000	39,481	45,689	17,148	-	-	750	-	555,831
FUND BALANCES												
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	899,640	298,936	38,606	468,622	13,516	2,264,929	4,080,954	95,997	161,029	-	9,222,883
Committed	19,039	-	-	-	-	-	-	-	-	-	-	19,039
Assigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	19,039	899,640	298,936	38,606	468,622	13,516	2,264,929	4,080,954	95,997	161,029	-	9,241,922
Total liabilities and fund balances	\$ 27,918	\$ 900,719	\$ 298,936	\$ 52,606	\$ 508,103	\$ 59,205	\$ 2,282,077	\$ 4,080,954	\$ 95,997	\$ 161,779	\$ -	\$ 9,797,753

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, 2017**

	Special Revenue Funds									Supervisor of Elections	Tax Collector
	Clerk of Courts			Property Appraiser	Sheriff						
	Public Records Modernization	Reserved	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program		
	Trust	10%			Operating		Operating	Operating	Operating		
REVENUES											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	19,828	-	-	-	33,929	-
Charges for services	109,330	-	17,857	104,935	-	-	193,442	-	6,186	-	1,909,398
Fines and forfeitures	-	59,187	-	-	11,779	25,865	-	5,902	-	-	-
Interest income	-	-	-	113	29	29	196	210	-	13	416
Miscellaneous	-	-	-	1,730	-	3,151	16,272	-	4	330	806
Total revenues	109,330	59,187	17,857	106,778	11,808	48,873	209,910	6,112	6,190	34,272	1,910,620
EXPENDITURES											
Current Expenditures											
General government	-	-	-	1,390,924	-	-	-	-	-	754,100	1,716,524
Public safety	-	-	-	-	20,122	27,841	176,857	33,674	131	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-
Court - related	65,255	115,495	26,425	-	-	-	-	-	-	-	-
Capital outlay											
General government	-	-	-	46,361	-	-	-	-	-	56,473	-
Public safety	-	-	-	-	-	17,760	56,734	74,341	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-
Debt service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	65,255	115,495	26,425	1,437,285	20,122	45,601	233,591	108,015	131	810,573	1,716,524
Excess of revenues over (under) expenditures	44,075	(56,308)	(8,568)	(1,330,507)	(8,314)	3,272	(23,681)	(101,903)	6,059	(776,301)	194,096
OTHER FINANCING SOURCES (USES)											
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	-	1,330,507	-	-	-	-	-	802,481	-
Interfund transfers out	-	-	-	-	-	-	-	-	-	(26,180)	(194,096)
Total other financing sources (use)	-	-	-	1,330,507	-	-	-	-	-	776,301	(194,096)
Net change in fund balances	44,075	(56,308)	(8,568)	-	(8,314)	3,272	(23,681)	(101,903)	6,059	-	-
Fund balances beginning of year	148,592	194,130	2,573	-	27,962	27,154	374,578	266,876	4,157	-	-
Fund balances end of year	\$ 192,667	\$ 137,822	\$ (5,995)	\$ -	\$ 19,648	\$ 30,426	\$ 350,897	\$ 164,973	\$ 10,216	\$ -	\$ -

(Continued)

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

**For the Fiscal Year Ending September 30, 2017**

	Special Revenue Funds							Debt Service Fund	Capital Projects Funds			
	Board of County Commissioners											
	Court Reporters	Court Service	Impact Fees	Law Enforcement Special	Library Enhancement Grant	SHIP	Tourist Development Tax	Sheriff Special Revenue	Road Improvement	Paving Assessments	Connector Road Project	Total Nonmajor Governmental Funds
REVENUES												
Taxes	\$ -	\$ 295,000	\$ -	\$ -	\$ 1,060,123	\$ -	\$ 1,524,917	\$ -	\$ 650,000	\$ -	\$ -	\$ 3,530,040
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	17,709	-	17,709
Intergovernmental revenue	126,476	-	-	-	595,738	424,790	48,590	-	-	-	-	1,249,351
Charges for services	-	143,022	-	-	9,063	-	-	-	-	-	-	2,493,233
Fines and forfeitures	-	-	-	395	26,208	-	-	-	-	-	-	129,336
Interest income	-	4,965	3,161	250	1,267	-	13,821	-	882	735	210	26,297
Miscellaneous	-	11	-	-	17,350	16,164	50,458	-	-	-	-	106,276
Total revenues	126,476	442,998	3,161	645	1,709,749	440,954	1,637,786	-	650,882	18,444	210	7,552,242
EXPENDITURES												
Current Expenditures												
General government	-	13,963	-	-	-	-	26,762	-	-	2,604	-	3,904,877
Public safety	-	-	-	-	-	-	-	-	-	-	-	258,625
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	957	-	-	957
Economic environment	-	-	-	-	-	440,954	553,244	-	-	-	-	994,198
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	1,379,166	-	-	-	-	-	-	1,379,166
Court - related	142,413	411,932	-	-	-	-	-	-	-	-	-	761,520
Capital outlay												
General government	-	-	-	-	-	-	-	-	-	-	-	102,834
Public safety	-	-	-	-	-	-	-	-	-	-	-	148,835
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-
Debt service												
Principal	-	-	-	-	-	-	-	-	561,000	-	-	561,000
Interest	-	-	-	-	-	-	-	-	84,728	-	-	84,728
Total expenditures	142,413	425,895	-	-	1,379,166	440,954	580,006	-	646,685	2,604	-	8,196,740
Excess of revenues over (under) expenditures	(15,937)	17,103	3,161	645	330,583	-	1,057,780	-	4,197	15,840	210	(644,498)
OTHER FINANCING SOURCES (USES)												
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	-	-	-	-	-	15,436,618	-	-	-	17,569,606
Interfund transfers out	-	-	-	(16,000)	-	-	(300,000)	(14,144,642)	(425,000)	-	(404,262)	(15,510,180)
Total other financing sources (use)	-	-	-	(16,000)	-	-	(300,000)	1,291,976	(425,000)	-	(404,262)	2,059,426
Net change in fund balances	(15,937)	17,103	3,161	(15,355)	330,583	-	757,780	1,291,976	(420,803)	15,840	(404,052)	1,414,928
Fund balances beginning of year	34,976	882,537	295,775	53,961	138,039	13,516	1,507,149	2,788,978	516,800	145,189	404,052	7,826,994
Fund balances end of year	\$ 19,039	\$ 899,640	\$ 298,936	\$ 38,606	\$ 468,622	\$ 13,516	\$ 2,264,929	\$ 4,080,954	\$ 95,997	\$ 161,029	\$ -	\$ 9,241,922

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**September 30, 2017**

	Clerk of Circuit Court					Sheriff				Tax Collector		
				Public Defender							Ad	
	Clerk's Trust	Employee Sunshine	Domestic Relations	Jury Witness	Occupancy Trust	Individual Depositors	Inmate Welfare	Donation Trust	Evidence Trust	Tag Agency	Valorem Tax Agency	Totals
<b>ASSETS</b>												
Cash	\$ 997,791	\$ 625	\$ 810	\$ 5,345	\$ 22,303	\$ 6,757	\$ 367,644	\$ 9,111	\$ 34,575	\$ 175,982	\$ 1,910,942	\$ 3,531,885
Accounts receivable	3,307	-	-	-	-	-	1,741,523	-	-	5,166	-	1,749,996
<b>Total assets</b>	<b>\$ 1,001,098</b>	<b>\$ 625</b>	<b>\$ 810</b>	<b>\$ 5,345</b>	<b>\$ 22,303</b>	<b>\$ 6,757</b>	<b>\$ 2,109,167</b>	<b>\$ 9,111</b>	<b>\$ 34,575</b>	<b>\$ 181,148</b>	<b>\$ 1,910,942</b>	<b>\$ 5,281,881</b>
<b>LIABILITIES</b>												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281	\$ 125	\$ 406
Cash bond liability	35,931	-	-	-	-	-	-	-	-	-	-	35,931
Court fees payable	169,482	-	-	-	-	-	-	-	-	-	-	169,482
Deposits held in escrow	136,098	-	-	-	-	-	2,079,387	-	-	10,009	121,334	2,346,828
Due to other funds	195,037	-	-	-	-	5,257	22,669	-	-	19,095	188,170	430,228
Due to other governmental units	240,492	-	810	5,345	-	-	-	-	-	145,512	1,447,941	1,840,100
Tax deeds payable	204,613	-	-	-	-	-	-	-	-	-	137,799	342,412
Other current liabilities	19,445	625	-	-	22,303	1,500	7,111	9,111	34,575	6,251	15,573	116,494
<b>Total liabilities</b>	<b>1,001,098</b>	<b>625</b>	<b>810</b>	<b>5,345</b>	<b>22,303</b>	<b>6,757</b>	<b>2,109,167</b>	<b>9,111</b>	<b>34,575</b>	<b>181,148</b>	<b>1,910,942</b>	<b>5,281,881</b>
<b>NET POSITION</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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, 2017, 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 February 14, 2018.

**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.

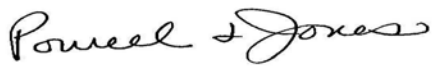
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

## **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  
February 14, 2018

**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, 2017. 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, 2017.

## **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**

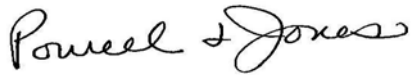
Management of Columbia County, Florida is responsible for establishing and maintaining effective internal control over the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Columbia County, Florida's internal control over compliance 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**  
**February 14, 2018**

**COLUMBIA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

<b>STATE GRANTOR PASS THROUGH GRANTOR / PROGRAM TITLE</b>	<b>CFSA #</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) 9/30/17</b>
<b>STATE FINANCIAL ASSISTANCE</b>							
<b><i>Florida Department of Emergency Management</i></b>							
Emergency Management Programs	31.063	17-BG-83-03-22-01-019	\$ 105,806	\$ -	\$ 105,806	\$ 87,745	\$ -
Emergency Management Programs	31.063	18-BG-W9-03-22-01-085	105,806	-	-	20,416	-
<b>Total Florida Department of Emergency Management</b>			<u>211,612</u>	<u>-</u>	<u>105,806</u>	<u>108,161</u>	<u>-</u>
<b><i>Florida Department of Environmental Protection</i></b>							
Small County Solid Waste Grant Agreement	37.012	SC704	90,909	-	90,909	90,909	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP12043	500,000	-	107,726	500,000	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP6025	539,563	-	539,563	539,563	-
<b>Total Florida Department of Environmental Protection</b>			<u>1,130,472</u>	<u>-</u>	<u>738,198</u>	<u>1,130,472</u>	<u>-</u>
<b><i>Florida Department of Health</i></b>							
Emergency Medical Services (EMS) County Grant	64.005	C5012	34,891	-	34,891	34,891	-
<b><i>Florida Department of Economic Opportunity</i></b>							
Division of Community Development	40.038	P0196	35,000	-	24,515	24,515	-
Visit Florida	40.040	N/A	2,500	-	2,500	2,500	-
Rural Infrastructure Fund	40.042	D0103	299,886	-	59,977	151,915	-
<b><i>Florida Department of Economic Opportunity passed through Florida Tourism Industry Marketing Corp.</i></b>							
Visit Florida	40.040	4916	5,000	-	6,925	4,425	-
<b><i>Florida Department of Economic Opportunity passed through Florida's Suwannee River Valley Marketing Group</i></b>							
Rural Community Development	40.007	D0093	50,000	11,336	17,150	17,150	-
<b>Total Florida Department of Economic Opportunity</b>			<u>392,386</u>	<u>11,336</u>	<u>111,067</u>	<u>200,505</u>	<u>-</u>

(Continued)

**COLUMBIA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

<b>STATE GRANTOR PASS THROUGH GRANTOR / PROGRAM TITLE</b>	<b>CFSA #</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) 9/30/17</b>
<b>Department of Agriculture and Consumer Services</b>							
Anthropod Mosquito Control State Aid	42.003	FDACS Contract #023789	36,540	-	36,540	36,540	-
<b>Florida Department of State</b>							
State Aid to Libraries Grant	45.030	17-ST-09	595,738	-	595,738	595,738	-
<b>Florida Housing Finance Corporation</b>							
<b>State Housing Initiatives Program</b>							
SHIP Funds 2017	40.901	FY16-17	445,479	-	424,790	424,790	(20,689)
SHIP Program Income	40.901	FY16-17	-	-	16,164	16,164	-
<b>Total Florida Housing Finance Corporation</b>			445,479	-	440,954	440,954	(20,689)
<b>Florida Department of Transportation</b>							
Small County Outreach Program - Real Road	55.009	434622-1-58-01	812,942	67,683	745,259	746,624	-
Small County Outreach Program - Old Wire Road	55.009	433031-1-58-01	1,237,500	-	42,369	42,369	5,030
Small County Outreach Program - Callahan Ave	55.009	437006-1-54-01	905,827	46,276	52,180	38,150	8,411
Small County Outreach Program - Bell Road	55.009	430720-1-58-01	1,165,836	157,986	36,421	36,421	1,245
Small County Outreach Program - Croft Bridge	55.009	439056-1-54-01	125,000	8,675	14,800	4,600	-
Small County Road Assistance Program - Moore Road	55.016	434581-1-54-01	1,423,125	-	36,753	36,753	-
Small County Road Assistance Program - King/Mauldin	55.016	434566-1-54-01	1,144,500	-	4,047	4,047	-
<b>Total Florida Department of Transportation</b>			6,814,730	280,620	931,829	908,964	14,686
<b>Department of Management Services</b>							
Rural County Grant - 911 System Maintenance	77.006	16-10-06	13,435	-	13,435	13,435	-
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>			<u>\$ 9,675,283</u>	<u>\$ 291,956</u>	<u>\$ 3,008,458</u>	<u>\$ 3,469,660</u>	<u>\$ (6,003)</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, 2017**

#### **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, 2017

**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:

<u>CSFA Number</u>	<u>Name of State Programs</u>
55.009	<b>Department of Transportation</b> Small County Outreach Program
37.039	<b>Department of Environmental Protection</b> Statewide Surface Water Restoration and Wastewater Projects
40.042	<b>Department of Economic Opportunity</b> Regional Rural Development and Infrastructure
45.030	<b>Department of State</b> State Aid to Libraries
31.063	<b>Department of Emergency Management</b> Emergency Management Programs

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, 2017, and have issued our report thereon dated February 14, 2018.

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 February 14, 2018, 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**

All prior year findings were corrected in the current year.

#### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

### **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**

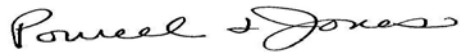
Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2017.

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.

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

**POWELL & JONES**  
Certified Public Accountants  
February 14, 2018



## 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, 2017. 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, 2017:

- 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*.

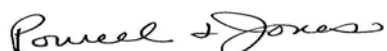
We also examined the County's compliance with Section 365.172(10) *Florida Statutes* and requirements specified by the E911 board grant and special disbursement programs. These laws require that E911 fee revenues, interest and E911 grant funding be used to pay for authorized expenditures as specified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

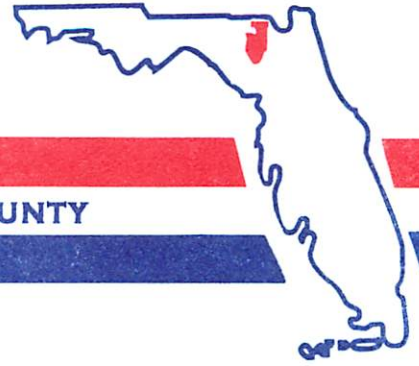
In our opinion, Columbia County, Florida and the Columbia County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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  
February 14, 2018

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 29, 2018

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, 2017  
Columbia County

Dear Auditor General:

The Columbia County Board of County Commissioners is pleased to accept the management letter reflecting the correction of all prior year findings and no reportable current year findings.

Staff and management have worked diligently to ensure the implementation of proper controls and improved procedures. We continue to seek opportunities to enhance the performance of our financial responsibilities.

Sincerely,

Ben Scott  
County Manager

XC: Board of County Commissioners  
P. DeWitt Cason, Clerk of Courts  
Richard Powell, C.P.A.  
Danielle Beard, Finance Director  
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, 2017

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**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, 2017, 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, 2017, 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 February 14, 2018, 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.

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

**POWELL & JONES**

Certified Public Accountants

February 14, 2018

## **COMBINED FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF CIRCUIT COURT**

**COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS  
September 30, 2017**

	Governmental Fund Types		Fiduciary Fund Type	
	General Fund	Special Revenue Funds	Agency Funds	Totals
<b>ASSETS</b>				
Current assets				
Cash	\$ 127,657	\$ 322,329	\$ 1,026,965	\$ 1,476,951
Accounts receivable	-	-	3,307	3,307
Due from other funds	151,155	15,378	-	166,533
Due from other governmental units	19,851	-	-	19,851
<b>Total assets</b>	<b>\$ 298,663</b>	<b>\$ 337,707</b>	<b>\$ 1,030,272</b>	<b>\$ 1,666,642</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 3,823	\$ 5,919	\$ -	\$ 9,742
Due to individuals	-	-	480,800	480,800
Due to other funds	-	7,294	159,239	166,533
Due to Board of County Commissioners	102,762	-	36,098	138,860
Due to other governmental units	49,571	-	245,774	295,345
Deposits	-	-	65,048	65,048
Unearned revenue	126,883	-	-	126,883
Other current liabilities	15,624	-	43,313	58,937
<b>Total liabilities</b>	<b>298,663</b>	<b>13,213</b>	<b>1,030,272</b>	<b>1,342,148</b>
<b>FUND BALANCES</b>				
Restricted	-	330,488	-	330,488
Committed	-	(5,994)	-	(5,994)
<b>Total fund balances</b>	<b>-</b>	<b>324,494</b>	<b>-</b>	<b>324,494</b>
<b>Total liabilities and fund balances</b>	<b>\$ 298,663</b>	<b>\$ 337,707</b>	<b>\$ 1,030,272</b>	<b>\$ 1,666,642</b>

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, 2017**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
<b>REVENUES</b>			
Intergovernmental	\$ 133,249	\$ -	\$ 133,249
Charges for services	1,165,193	127,186	1,292,379
Fines and forfeitures	446,205	59,187	505,392
Total revenues	<u>1,744,647</u>	<u>186,373</u>	<u>1,931,020</u>
<b>EXPENDITURES</b>			
Current expenditures			
General government	749,385	65,255	814,640
Court related	1,388,660	141,920	1,530,580
Total expenditures	<u>2,138,045</u>	<u>207,175</u>	<u>2,345,220</u>
Excess of revenues over (under) expenditures	<u>(393,398)</u>	<u>(20,802)</u>	<u>(414,200)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfer from Board of County Commissioners	393,398	-	393,398
Total other financing sources	<u>393,398</u>	<u>-</u>	<u>393,398</u>
Net change in fund balance	-	(20,802)	(20,802)
Fund balance at beginning of year	-	345,296	345,296
Fund balance at end of year	<u>\$ -</u>	<u>\$ 324,494</u>	<u>\$ 324,494</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, 2017**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Intergovernmental	\$ 146,948	\$ 133,249	\$ (13,699)	\$ -	\$ -	\$ -
Charges for services	1,627,930	1,165,193	(462,737)	127,000	127,186	186
Fines and forfeitures	-	446,205	446,205	70,000	59,187	(10,813)
Total revenues	<u>1,774,878</u>	<u>1,744,647</u>	<u>(30,231)</u>	<u>197,000</u>	<u>186,373</u>	<u>(10,627)</u>
<b>EXPENDITURES</b>						
Current expenditures						
General government	786,264	749,385	36,879	80,700	65,255	15,445
Court related	<u>1,484,774</u>	<u>1,388,660</u>	<u>96,114</u>	<u>139,500</u>	<u>141,920</u>	<u>(2,420)</u>
Total expenditures	<u>2,271,038</u>	<u>2,138,045</u>	<u>132,993</u>	<u>220,200</u>	<u>207,175</u>	<u>13,025</u>
Excess of revenues over (under) expenditures	<u>(496,160)</u>	<u>(393,398)</u>	<u>102,762</u>	<u>(23,200)</u>	<u>(20,802)</u>	<u>2,398</u>
<b>OTHER FINANCING SOURCES</b>						
Transfers from Board of County Commissioners	496,160	393,398	(102,762)	-	-	-
Total other financing sources	<u>496,160</u>	<u>393,398</u>	<u>(102,762)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	(23,200)	(20,802)	2,398
Fund balance at beginning of year	-	-	-	345,296	345,296	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 322,096</u>	<u>\$ 324,494</u>	<u>\$ 2,398</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2017

**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, 2017, 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, 2017, the book balance of the Clerk's deposits was \$1,476,951. The bank balance was \$1,513,133. 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, \$125,760, 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, 2017 were as follows: Regular Employees 7.92%; Senior Management 22.71%; Elected Officials 45.50%, and employees electing the DROP Program 13.26%. 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, 2017, 2016 and 2015 were \$156,005, \$159,295, and \$164,691, respectively, equal to the required contributions for each year.

#### NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2017, were:

	Interfund Receivables	Interfund Payables
General Fund	\$ 151,155	
Reserved 10% Fines	-	-
Public Records Modernization Trust	13,929	-
Teen Court	1,449	7,294
Trust	-	159,239
	<u>\$ 166,533</u>	<u>\$ 166,533</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 \$65,033. Future minimum lease payments for these leases are as follows:

Year Ending September 30,	Minimum Lease Payments
2018	\$ 54,366
2019	8,651
2020	2,407
2021	2,407
2022	401

#### NOTE 6. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2017, 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, 2017:

	Classification					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
Public Records						
Modernization Trust	\$ -	\$ 192,666	\$ -	\$ -	\$ -	\$ 192,666
Teen Court	-	-	(5,994)	-	-	(5,994)
Reserved 10% Fines	-	137,822	-	-	-	137,822
	<u>\$ -</u>	<u>\$ 330,488</u>	<u>\$ (5,994)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324,494</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, 2017**

**ASSETS**

**Current assets**

Cash	\$ 127,657
Due from other funds	151,155
Due from other governmental units	19,851

Total assets	<u>\$ 298,663</u>
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**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

**Current liabilities**

Accounts payable	\$ 3,823
Accrued liabilities	15,624
Due to Board of County Commissioners	102,762
Due to State	49,571
Unearned revenue	126,883

Total liabilities	<u>298,663</u>
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**FUND BALANCE**

Unreserved	-
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Total liabilities and fund balance	<u>\$ 298,663</u>
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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, 2017**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenue				
Federal grants				
IV - D grant	\$ 95,000	\$ 95,000	\$ 77,269	\$ (17,731)
State grants				
State court reimbursement	51,948	51,948	55,980	4,032
Total intergovernmental revenue	146,948	146,948	133,249	(13,699)
General government				
Charges for services				
Noncourt charges for services				
Recording	180,000	160,000	184,711	24,711
Documentary stamp commissions	12,000	12,000	12,894	894
Marriage licenses fees and charges	16,000	16,000	21,098	5,098
Passports	20,000	20,000	22,525	2,525
Copies	17,000	17,000	17,218	218
Other charges	30,000	30,000	20,267	(9,733)
Total general government	275,000	255,000	278,713	23,713
Court related				
Court related charges for services				
Circuit Criminal	125,000	125,000	59,421	(65,579)
Circuit Civil	200,000	200,000	201,870	1,870
County Criminal	250,000	250,000	73,656	(176,344)
County Civil	290,000	290,000	283,597	(6,403)
Traffic	454,930	454,930	214,298	(240,632)
Juvenile	3,000	3,000	3,452	452
Probate	50,000	50,000	50,186	186
Total court related charges for services	1,372,930	1,372,930	886,480	(486,450)
Fines and forfeitures				
Court related fines and forfeitures				
Circuit Criminal	-	-	57,866	57,866
County Criminal	-	-	174,233	174,233
Traffic	-	-	189,842	189,842
10% Fines	-	-	24,264	24,264
Total court related fines and forfeitures	-	-	446,205	446,205
Total court related revenues	1,372,930	1,372,930	1,332,685	(40,245)
Total revenues	1,794,878	1,774,878	1,744,647	(30,231)

See notes to financial statements.  
(Continued)

**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, 2017**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
<b>EXPENDITURES</b>				
Board of County Commissioners				
Personnel services	\$ 394,264	\$ 394,264	\$ 320,584	\$ 73,680
Operating expenses	3,000	3,000	1,905	1,095
Total Board of County Commissioners	397,264	397,264	322,489	74,775
Other general government				
Personnel services	290,000	290,000	312,629	(22,629)
Operating expenses	18,000	18,000	33,579	(15,579)
Total other general government	308,000	308,000	346,208	(38,208)
Clerk administration				
Personnel services	240,676	240,676	240,268	408
Operating expenses	3,000	3,000	2,933	67
Total Clerk administration	243,676	243,676	243,201	475
Court-related payments to State	194,254	273,150	186,076	87,074
Total court-related payments to State	194,254	273,150	186,076	87,074
Jury Management				
Personnel services	39,006	39,006	39,134	(128)
Operating expenses	12,942	12,942	16,846	(3,904)
Total jury management	51,948	51,948	55,980	(4,032)
Circuit Criminal				
Personnel services	230,000	230,000	228,192	1,808
Operating expenses	1,000	1,000	137	863
Total circuit criminal	231,000	231,000	228,329	2,671
Circuit Civil				
Personnel services	106,000	106,000	105,609	391
Operating expenses	2,000	2,000	1,526	474
Total circuit civil	108,000	108,000	107,135	865
Circuit Family				
Personnel services	67,000	67,000	66,536	464
Operating expenses	1,500	1,500	884	616
Total circuit family	68,500	68,500	67,420	1,080

See notes to financial statements.  
(Continued)

**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, 2017**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Circuit Juvenile				
Personnel services	\$ 34,000	\$ 34,000	\$ 33,239	\$ 761
Operating expenses	1,000	1,000	351	649
Total circuit juvenile	35,000	35,000	33,590	1,410
Circuit Probate				
Personnel services	60,000	60,000	59,552	448
Operating expenses	2,000	2,000	1,188	812
Total circuit probate	62,000	62,000	60,740	1,260
Information Technology				
Personnel services	79,500	79,500	79,419	81
Operating expenses	1,500	1,500	1,269	231
Total information technology	81,000	81,000	80,688	312
County Criminal				
Personnel services	150,000	150,000	148,242	1,758
Operating expenses	1,000	1,000	137	863
Total county criminal	151,000	151,000	148,379	2,621
County Civil				
Personnel services	88,000	88,000	87,541	459
Operating expenses	1,500	1,500	733	767
Total county civil	89,500	89,500	88,274	1,226
County Traffic				
Personnel services	170,000	170,000	168,637	1,363
Operating services	1,000	1,000	899	101
Total county traffic	171,000	171,000	169,536	1,464
Total expenditures	2,192,142	2,271,038	2,138,045	132,993
Excess of revenues over (under) expenditures	(397,264)	(496,160)	(393,398)	102,762
Other financing sources				
Transfers from Board of County Commissioners	397,264	496,160	393,398	(102,762)
Total other financing sources	397,264	496,160	393,398	(102,762)
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, 2017

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
<b>ASSETS</b>				
Current assets				
Cash	\$ 191,801	\$ -	\$ 130,528	\$ 322,329
Due from other funds	6,635	1,449	7,294	15,378
Total assets	<u>\$ 198,436</u>	<u>\$ 1,449</u>	<u>\$ 137,822</u>	<u>\$ 337,707</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 5,770	\$ 149	\$ -	\$ 5,919
Due to other funds	-	7,294	-	7,294
Total liabilities	<u>5,770</u>	<u>7,443</u>	<u>-</u>	<u>13,213</u>
<b>FUND BALANCES</b>				
Restricted	192,666	-	137,822	330,488
Committed	-	(5,994)	-	(5,994)
Total fund balances	<u>192,666</u>	<u>(5,994)</u>	<u>137,822</u>	<u>324,494</u>
Total liabilities and fund balances	<u>\$ 198,436</u>	<u>\$ 1,449</u>	<u>\$ 137,822</u>	<u>\$ 337,707</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, 2017**

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
<b>REVENUES</b>				
Charges for services				
General Government				
Recording of legal instruments	\$ 109,329	\$ -	\$ -	\$ 109,329
Court related	-	17,857	-	17,857
Fines and forfeitures	-	-	59,187	59,187
Total revenues	<u>109,329</u>	<u>17,857</u>	<u>59,187</u>	<u>186,373</u>
<b>EXPENDITURES</b>				
General Government				
Financial and administrative				
Operating expenses	65,255	-	-	65,255
Total general government	<u>65,255</u>	<u>-</u>	<u>-</u>	<u>65,255</u>
Court related				
Judicial				
Personnel services	-	-	41,743	41,743
Operating expenses	-	26,425	73,752	100,177
Total court related	<u>-</u>	<u>26,425</u>	<u>115,495</u>	<u>141,920</u>
Total expenditures	<u>65,255</u>	<u>26,425</u>	<u>115,495</u>	<u>207,175</u>
Excess of revenues over (under) expenditures	<u>44,074</u>	<u>(8,568)</u>	<u>(56,308)</u>	<u>(20,802)</u>
Net change in fund balances	44,074	(8,568)	(56,308)	(20,802)
Fund balances at beginning of year	148,592	2,574	194,130	345,296
Fund balances at end of year	<u>\$ 192,666</u>	<u>\$ (5,994)</u>	<u>\$ 137,822</u>	<u>\$ 324,494</u>

See notes to financial statements.



## **AGENCY FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF CIRCUIT COURT  
AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 2017**

	Clerk Trust	Employee Sunshine	Domestic Relations	Jury and Witness	Public Defender Occupancy Trust	Totals
<b>ASSETS</b>						
Cash	\$ 997,791	\$ 716	\$ 810	\$ 5,345	\$ 22,303	\$ 1,026,965
Accounts receivable	3,307	-	-	-	-	3,307
Total assets	<u>\$ 1,001,098</u>	<u>\$ 716</u>	<u>\$ 810</u>	<u>\$ 5,345</u>	<u>\$ 22,303</u>	<u>\$ 1,030,272</u>
<b>LIABILITIES</b>						
Due to individuals	\$ 475,455	\$ -	\$ -	\$ 5,345	\$ -	\$ 480,800
Due to other funds	159,239	-	-	-	-	159,239
Due to Board of County Commissioners	36,098	-	-	-	-	36,098
Due to other governmental units	244,964	-	810	-	-	245,774
Deposits	65,048	-	-	-	-	65,048
Other current liabilities	20,294	716	-	-	22,303	43,313
Total liabilities	<u>\$ 1,001,098</u>	<u>\$ 716</u>	<u>\$ 810</u>	<u>\$ 5,345</u>	<u>\$ 22,303</u>	<u>\$ 1,030,272</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

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

**For the Fiscal Year Ended September 30, 2017**

	Balance October 1, 2016	Additions	Deductions	Balance September 30, 2017
<b>TRUST FUND</b>				
<b>Assets</b>				
Cash	\$ 1,036,381	\$ 7,600,794	\$ 7,639,384	\$ 997,791
Accounts receivable	13,864	3,110	13,667	3,307
<b>Total assets</b>	<u>\$ 1,050,245</u>	<u>\$ 7,603,904</u>	<u>\$ 7,653,051</u>	<u>\$ 1,001,098</u>
<b>Liabilities</b>				
Due to individuals	\$ 597,757	\$ 846,829	\$ 969,131	\$ 475,455
Due to other funds	178,693	9,417,289	9,436,743	159,239
Due to Board of County Commissioners	37,186	447,071	448,159	36,098
Due to other governmental units	153,906	4,356,948	4,265,890	244,964
Deposits	60,810	166,099	161,861	65,048
Other current liabilities	21,893	7,525	9,124	20,294
<b>Total liabilities</b>	<u>\$ 1,050,245</u>	<u>\$ 15,241,761</u>	<u>\$ 15,290,908</u>	<u>\$ 1,001,098</u>
<b>EMPLOYEE SUNSHINE FUND</b>				
<b>Assets</b>				
Cash	\$ 625	\$ 1,400	\$ 1,309	\$ 716
<b>Total assets</b>	<u>\$ 625</u>	<u>\$ 1,400</u>	<u>\$ 1,309</u>	<u>\$ 716</u>
<b>Liabilities</b>				
Other current liabilities	\$ 625	\$ 1,400	\$ 1,309	\$ 716
<b>Total liabilities</b>	<u>\$ 625</u>	<u>\$ 1,400</u>	<u>\$ 1,309</u>	<u>\$ 716</u>
<b>DOMESTIC RELATIONS FUND</b>				
<b>Assets</b>				
Cash	\$ 767	\$ 75,587	\$ 75,544	\$ 810
<b>Total assets</b>	<u>\$ 767</u>	<u>\$ 75,587</u>	<u>\$ 75,544</u>	<u>\$ 810</u>
<b>Liabilities</b>				
Due to other governmental units	\$ 767	\$ 10,039	\$ 9,996	\$ 810
<b>Total liabilities</b>	<u>\$ 767</u>	<u>\$ 10,039</u>	<u>\$ 9,996</u>	<u>\$ 810</u>
<b>JURY AND WITNESS FUND</b>				
<b>Assets</b>				
Cash	\$ 7,695	\$ 11,513	\$ 13,863	\$ 5,345
<b>Total assets</b>	<u>\$ 7,695</u>	<u>\$ 11,513</u>	<u>\$ 13,863</u>	<u>\$ 5,345</u>
<b>Liabilities</b>				
Due to individuals	\$ 7,695	\$ 11,513	\$ 13,863	\$ 5,345
<b>Total liabilities</b>	<u>\$ 7,695</u>	<u>\$ 11,513</u>	<u>\$ 13,863</u>	<u>\$ 5,345</u>

See notes to financial statements.  
(continued)

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

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

**For the Fiscal Year Ended September 30, 2017**

	Balance October 1, 2016	Additions	Deductions	Balance September 30, 2017
<b>PUBLIC DEFENDER</b>				
<b>OCCUPANCY TRUST FUND</b>				
<b>Assets</b>				
Cash	\$ 17,540	\$ 71,248	\$ 66,485	\$ 22,303
<b>Total assets</b>	<u>\$ 17,540</u>	<u>\$ 71,248</u>	<u>\$ 66,485</u>	<u>\$ 22,303</u>
<b>Liabilities</b>				
Other current liabilities	\$ 17,540	\$ 71,248	\$ 66,485	\$ 22,303
<b>Total liabilities</b>	<u>\$ 17,540</u>	<u>\$ 71,248</u>	<u>\$ 66,485</u>	<u>\$ 22,303</u>
 <b>TOTALS - ALL FUNDS</b>				
<b>Assets</b>				
Cash	\$ 1,063,008	\$ 7,760,542	\$ 7,796,585	\$ 1,026,965
Accounts receivable	13,864	3,110	13,667	3,307
<b>Total assets</b>	<u>\$ 1,076,872</u>	<u>\$ 7,763,652</u>	<u>\$ 7,810,252</u>	<u>\$ 1,030,272</u>
<b>Liabilities</b>				
Due to individuals	\$ 605,452	\$ 858,342	\$ 982,994	\$ 480,800
Due to other funds	178,693	9,417,289	9,436,743	159,239
Due to Board of County Commissioners	37,186	447,071	448,159	36,098
Due to other governmental units	154,673	4,366,987	4,275,886	245,774
Deposits	60,810	166,099	161,861	65,048
Other current liabilities	40,058	80,173	76,918	43,313
<b>Total liabilities</b>	<u>\$ 1,076,872</u>	<u>\$ 15,335,961</u>	<u>\$ 15,382,561</u>	<u>\$ 1,030,272</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, 2017, 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 February 14, 2018.

**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  
February 14, 2018

**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, 2017, and have issued our report thereon dated February 14, 2018. 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, 2017. 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  
February 14, 2018



**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 ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court  
Columbia County, Florida

We have examined the Columbia County, Florida Clerk of the Circuit Court's (Clerk) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds; Section 61.181, *Florida Statutes*, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, *Florida Statutes*, regarding clerks of the courts performance standards and budgets, during the year ended September 30, 2017. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with Section 218.415, *Florida Statutes*, regarding the investment of public funds; Section 61.181, *Florida Statutes*, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, *Florida Statutes*, regarding clerks of the courts performance standards and budgets during the year ended September 30, 2017.

This report is intended solely for the information and use of 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  
February 14, 2018

**PROPERTY APPRAISER**

**COLUMBIA COUNTY, FLORIDA**  
**PROPERTY APPRAISER**  
**ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended September 30, 2017

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**Powell & Jones**  
Certified Public Accountants

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## **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, 2017, 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.

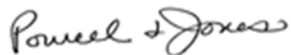
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser 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, 2017, 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, 2018, 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, 2018

## **FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**PROPERTY APPRAISER  
GENERAL FUND  
BALANCE SHEET  
September 30, 2017**

**ASSETS**

Cash	\$	54,287
Total assets	\$	54,287

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

**Current liabilities**

Due to Board of County Commissioners	\$	50,161
Due to other governmental units		4,126
Total liabilities and fund balance	\$	54,287

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, 2017**

	<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	\$ 76,485	\$ 76,485	\$ 73,593	\$ (2,892)
Suwannee River Water Management District	32,575	32,575	31,343	(1,232)
Total charges for services	<u>109,060</u>	<u>109,060</u>	<u>104,936</u>	<u>(4,124)</u>
Miscellaneous				
Interest earnings	-	-	113	113
Other miscellaneous	-	-	1,729	1,729
Total miscellaneous	<u>-</u>	<u>-</u>	<u>1,842</u>	<u>1,842</u>
Total revenues	<u>109,060</u>	<u>109,060</u>	<u>106,778</u>	<u>(2,282)</u>
<b>EXPENDITURES</b>				
General government				
Financial and administrative				
Personnel services	1,234,815	1,234,815	1,222,606	12,209
Operating expenses	245,665	245,665	168,318	77,347
Capital outlay	9,247	9,247	46,361	(37,114)
Total expenditures	<u>1,489,727</u>	<u>1,489,727</u>	<u>1,437,285</u>	<u>52,442</u>
Excess of revenues over (under) expenditures	(1,380,667)	(1,380,667)	(1,330,507)	50,160
<b>OTHER FINANCING SOURCES</b>				
Transfers from Board of County Commissioners	<u>1,380,667</u>	<u>1,380,667</u>	<u>1,330,507</u>	<u>(50,160)</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, 2017**

**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, 2017, the book balance of the Property Appraiser's deposits was \$54,287. 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 \$90,627, 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, 2017 were as follows: Regular Employees 7.92%; Senior Management 22.71%; Elected Officials 45.50% and Deferred Retirement Option Program (DROP) 13.26%. 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, 2017, 2016 and 2015 were \$139,176, \$102,980, and \$100,881, respectively equal to the required contributions for each year.

**NOTE 4. OPERATING LEASE**

The Property Appraiser has an operating lease with Zeno Office Solutions for a copier. The agreement is being paid in sixty monthly installments of \$264. Future minimum lease payments are as follows:

Year Ending September 30	
2018	\$ 2,904

The Property Appraiser has an operating lease with Sissine's Office Systems for a copier. The agreement is being made in 60 monthly installments of \$303. There is also a operating lease with Pitney Bowes for a postage meter being paid in 48 monthly installments of \$110. Future minimum lease payments under these agreements are as follows:

Year Ending September 30	
2018	\$ 4,193
2019	3,643
2020	3,643
2021	3,643
2022	911
	<u>\$ 16,033</u>

Lease expense for the year was \$6,497.

## **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, 2017, 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, 2018.

**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.

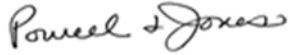
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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, 2018

**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, 2017, and have issued our report thereon dated March 27, 2018.

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, 2018. 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, 2017. 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.

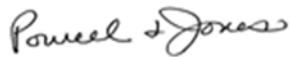
Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was 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, 2018

## INDEPENDENT ACCOUNTANT'S REPORT

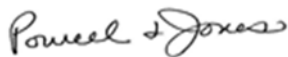
To The Property Appraiser  
Columbia County, Florida

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, 2017. 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, 2017.

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, 2018

**SHERIFF**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2017**

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**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2017**

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## **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, 2017, 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, 2017, 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.

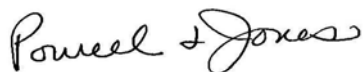
## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated April 11, 2018, 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  
April 11, 2018

## **COMBINED FINANCIAL STATEMENTS**



**COLUMBIA COUNTY, FLORIDA**

**SHERIFF  
COMBINED BALANCE SHEET  
ALL FUND TYPES**

September 30, 2017

	<b>Governmental Funds</b>		<b>Proprietary Fund Type</b>	<b>Fiduciary Fund Types</b>	<b>Totals (Memorandum Only)</b>
	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Internal Services Fund</b>	<b>Agency Funds</b>	
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	\$ 1,432,382	\$ 609,008	\$ 27,163	\$ 418,088	\$ 2,486,641
Accounts receivable	10,560	-	128,008	1,741,522	1,880,090
Insurance proceeds receivable	10,000	-	-	-	10,000
Due from other funds	1,980	20,689	-	-	22,669
Due from Board of County Commissioners	14,000	-	-	-	14,000
Due from other governmental units	27,177	4,627	-	-	31,804
Other receivables	-	3,946	-	-	3,946
<b>Total assets</b>	<b>\$ 1,496,099</b>	<b>\$ 638,270</b>	<b>\$ 155,171</b>	<b>\$ 2,159,610</b>	<b>\$ 4,449,150</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 145,927	\$ 62,110	\$ 210,497	\$ -	\$ 418,534
Accrued liabilities	540,121	-	-	-	540,121
Due to individuals	-	-	-	7,111	7,111
Due to Board of County Commissioners	810,051	-	-	5,257	815,308
Due to other funds	-	-	-	22,669	22,669
Other current liabilities	-	-	-	2,124,573	2,124,573
<b>Total current liabilities</b>	<b>1,496,099</b>	<b>62,110</b>	<b>210,497</b>	<b>2,159,610</b>	<b>3,928,316</b>
<b>FUND BALANCES</b>					
Fund balances restricted	-	576,160	(55,326)	-	520,834
<b>Total liabilities and fund balances</b>	<b>\$ 1,496,099</b>	<b>\$ 638,270</b>	<b>\$ 155,171</b>	<b>\$ 2,159,610</b>	<b>\$ 4,449,150</b>

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, 2017

	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Totals</b>
<b>REVENUES</b>			
Intergovernmental	\$ 47,077	\$ -	\$ 47,077
Charges for services	161,910	22,979	184,889
Fines and forfeitures	-	43,546	43,546
Miscellaneous	166,230	216,368	382,598
<b>Total revenues</b>	<b>375,217</b>	<b>282,893</b>	<b>658,110</b>
<b>EXPENDITURES</b>			
Current expenditures			
Public safety	13,150,519	258,625	13,409,144
Capital outlay			
Public safety	576,289	148,835	725,124
<b>Total expenditures</b>	<b>13,726,808</b>	<b>407,460</b>	<b>14,134,268</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(13,351,591)</b>	<b>(124,567)</b>	<b>(13,476,158)</b>
<b>Other Financing Sources/Uses</b>			
Transfers from Board of County Commissioners	13,351,591	-	13,351,591
<b>Net change in fund balances</b>	<b>-</b>	<b>(124,567)</b>	<b>(124,567)</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>700,727</b>	<b>700,727</b>
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ 576,160</b>	<b>\$ 576,160</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, 2017**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ 47,077	\$ 47,077	\$ -	\$ -	\$ -
Charges for services	-	161,910	161,910	22,979	22,979	-
Fines and forfeitures	-	-	-	43,546	43,546	-
Miscellaneous	-	166,230	166,230	216,368	216,368	-
Total revenue	-	375,217	375,217	282,893	282,893	-
<b>EXPENDITURES</b>						
Current expenditures						
Public safety	13,583,542	13,150,519	433,023	258,625	258,625	-
Capital outlay						
Public safety	577,100	576,289	811	148,835	148,835	-
Total expenditures	14,160,642	13,726,808	433,834	407,460	407,460	-
Excess of revenues over (under) expenditures	(14,160,642)	(13,351,591)	809,051	(124,567)	(124,567)	-
<b>Other Financing Sources</b>						
Transfers from Board of County Commissioners	14,160,642	13,351,591	(809,051)	-	-	-
Transfers from other funds	-	-	-	-	-	-
Total other financing sources	14,160,642	13,351,591	(809,051)	-	-	-
Net change in fund balances	-	-	-	(124,567)	(124,567)	-
Fund balances at beginning of year	-	-	-	700,727	700,727	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 576,160	\$ 576,160	\$ -

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
SHERIFF  
PROPRIETARY FUND  
STATEMENT OF NET POSITION  
September 30, 2017**

	<b>Governmental Activities Internal Service Fund</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 27,163
Receivables, Net of Allowance for Uncollectible	128,008
<b>Total current assets</b>	<b>\$ 155,171</b>
<b>LIABILITIES AND NET POSITION</b>	
<b>Current Liabilities</b>	
Accounts payable	
Carriers	\$ 2,270
Line of credit	60,000
Incurred but not reported	148,227
<b>Total Liabilities</b>	<b>210,497</b>
<b>Net Position</b>	
Unrestricted (deficit)	(55,326)
<b>Total Liabilities and Net Position</b>	<b>\$ 155,171</b>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
SHERIFF  
PROPRIETARY FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
For the Fiscal Year Ended September 30, 2017**

	<b>Governmental Activities Internal Service Fund</b>
Operating revenues	
Charges for Services	<u>\$ 1,484,306</u>
Operating expenses	
Claims	1,265,736
Premiums	248,944
Fees	24,402
Other	550
Total expenses	<u>1,539,632</u>
Change in net position	(55,326)
Net position beginning of year	-
Net position end of year	<u><u>\$ (55,326)</u></u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA  
SHERIFF  
PROPRIETARY FUND  
STATEMENT OF CASH FLOWS  
September 30, 2017**

	<b>Governmental Activities Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Interfund services provided	\$ 1,356,298
Payments to suppliers	(1,389,135)
Net cash provided (used) by operating activities	<u>(32,837)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	 <u>60,000</u>
Line of credit	
 Increase in cash and cash equivalents	 <u><u>\$ 27,163</u></u>
 <b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>	
 Operating loss	 \$ (55,326)
(Increase) decrease in assets:	
Accounts receivable	(128,008)
 Increase (decrease) in liabilities:	
Account payable	<u>150,497</u>
 Net cash provided by operating activities	 <u><u>\$ (32,837)</u></u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2017**

**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, 2017, the Sheriff maintained the following Special Revenue Funds:

Minimum Standards School  
Forfeiture  
Inmate Welfare  
Forfeiture - Non Grant  
Work Program

(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, 2017, the book balance of the Sheriff's deposits was \$2,486,641. The bank balances were \$2,503,984. 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	\$ -	\$1,967,709	\$ -	\$1,967,709
FDIC Insurance	536,275	-	-	536,275
Total deposits	<u>\$ 536,275</u>	<u>\$1,967,709</u>	<u>\$ -</u>	<u>\$2,503,984</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 \$1,078,243, 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 10/01/16	Donations & Other	Additions	Deletions	Balance 10/31/17
Equipment	\$ 6,708,464	\$ -	\$ 725,124	\$ 301,656	\$ 7,131,932

## 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, 2017 were as follows: Regular Employees 7.92%; Special Risk Employees 23.27%; Senior Management 22.71%; Elected Officials 45.5%, and employees electing the DROP program 13.26%. 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, 2017, 2016 and 2015 were \$1,384,823, \$1,333,471 and \$1,224,419, 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 is exposed to risk or loss for claims and judgments for public liability, worker's compensation, and other special risks. Public liability and special risks are covered by commercial insurance policies which are accounted for in the Sheriff's general fund. The Sheriff bears no risk of loss under this type of coverage. There has been no significant reduction in insurance coverage from the prior fiscal year. Insurance coverage has been sufficient to cover all claims made in the prior three fiscal years. The Sheriff participates in the Florida Sheriff's Association Worker's Compensation Program. It is a fully insured, guaranteed cost program with a deductible trust fund and insurance with a commercial carrier. The Sheriff retains no risk.

The Sheriff utilizes a pooled, self-funded health plan to provide comprehensive medical benefits to the employees, retirees and their dependents. It is funded by contributions from the Sheriff's Office and employees. In compliance with *Florida Statute* Section 112.08, an actuarial review of the Plan demonstrates the current rate structure of the Plan plus the current net assets available for benefits appears adequate to support current outstanding claims as well as those projected claims and expenses for the next Plan year.

Excess insurance is purchased from a commercial carrier to provide a specific claim and aggregate limits coverage. Specific claim coverage benefits the covered individual by providing unlimited coverage to begin where a specific claim exceeds \$70,000 plus an additional corridor of \$142,922. Aggregate limits coverage limits the Sheriff's total risk exposure. This coverage provides the Sheriff with an additional \$1,000,000 in coverage for the coverage year when the costs of total claims paid less the total paid under the specific claim excess coverage exceeds 125% of the expected claims for the current Plan year.

The Sheriff uses an internal service fund to account for risks from medical benefit claims. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At September 30, 2017, the amount of these

liabilities was \$(148,227). This liability has been determined based on an actuarial evaluation of all claims reported and all claims incurred but not reported (IBNR), as of September 30, 2017. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

#### Reconciliation of Claims Liabilities for Medical Benefits

	As of September 30, 2017
Unpaid claims and adjustment expense at beginning of year	\$ -
Incurred claims and claim adjustment expenses	
(A) Provision for insured events of current fiscal year	1,216,219
(B) Increases (decreases) in provision for insured events of prior fiscal years	-
Total incurred claims and claim adjustment expenses	<u>1,216,219</u>
Payments	
(A) Claims and claim adjustment expense attributable to insured claims of current fiscal year	1,364,446
(B) Claims and claim adjustment expenses attributable to insured events of prior fiscal year	-
Total payments	<u>1,364,446</u>
Unpaid claims and claim adjustment expense at end of year	<u>\$ (148,227)</u>

#### 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 \$53,601. The future minimum payments under these leases at September 30, 2017, are as follows:

Year Ending September 30	Minimum Lease Payment
2018	\$ 48,777
2019	27,939
2020	18,590
	<u>\$ 95,306</u>

## NOTE 8. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2017, 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, 2017:

	Classification					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
Special Revenue Funds						
Minimum Standards School	\$ -	\$ 19,648	\$ -	\$ -	\$ -	\$ 19,648
Forfeiture	-	30,426	-	-	-	30,426
Inmate Welfare	-	350,897	-	-	-	350,897
Forfeiture Nongrant	-	164,973	-	-	-	164,973
Work Program	-	10,216	-	-	-	10,216
	<u>\$ -</u>	<u>\$ 576,160</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 576,160</u>

**COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS**

**GENERAL FUND**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**GENERAL FUND  
BALANCE SHEET**

**September 30, 2017**

**ASSETS**

**Current assets**

<b>Cash</b>	<b>\$ 1,432,382</b>
<b>Accounts receivable</b>	<b>10,560</b>
<b>Insurance Proceeds Receivable</b>	<b>10,000</b>
<b>Due from other funds</b>	<b>1,980</b>
<b>Due from BCC</b>	<b>14,000</b>
<b>Due from other governmental units</b>	<b>27,177</b>

<b>Total assets</b>	<b><u>\$ 1,496,099</u></b>
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**LIABILITIES**

**Liabilities**

<b>Accounts payable</b>	<b>\$ 145,927</b>
<b>Accrued liabilities</b>	<b>540,121</b>
<b>Due to Board of County Commissioners</b>	<b>810,051</b>

<b>Total liabilities</b>	<b><u>\$ 1,496,099</u></b>
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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, 2017

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Intergovernmental revenue				
Federal grants				
US Department of Justice	\$ -	\$ -	\$ 47,077	\$ 47,077
Charges for Services				
Public safety				
Police services	-	-	161,910	161,910
Miscellaneous				
Interest	-	-	1,481	1,481
Other	-	-	164,749	164,749
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>375,217</b>	<b>375,217</b>
<b>EXPENDITURES</b>				
Administration				
Personnel services	1,022,539	1,022,539	1,020,953	1,586
Operating expenses	149,650	221,550	220,915	635
Capital outlay	-	15,400	15,385	15
<b>Total administration</b>	<b>1,172,189</b>	<b>1,259,489</b>	<b>1,257,253</b>	<b>2,236</b>
Road Patrol				
Personnel services	3,061,569	3,059,569	3,050,522	9,047
Operating expenses	531,298	493,623	493,354	269
Capital outlay	255,000	444,100	443,960	140
<b>Total road patrol</b>	<b>3,847,867</b>	<b>3,997,292</b>	<b>3,987,836</b>	<b>9,456</b>
Detective				
Personnel services	1,037,340	1,037,340	1,021,434	15,906
Operating expenses	116,995	129,920	129,369	551
<b>Total detective</b>	<b>1,154,335</b>	<b>1,167,260</b>	<b>1,150,803</b>	<b>16,457</b>
Civil				
Personnel services	337,196	337,196	312,813	24,383
Operating expenses	46,100	40,055	39,668	387
<b>Total civil</b>	<b>383,296</b>	<b>377,251</b>	<b>352,481</b>	<b>24,770</b>
Records Evidence				
Personnel services	208,668	208,668	202,326	6,342
Operating expenses	22,485	28,435	28,149	286
<b>Total records evidence</b>	<b>231,153</b>	<b>237,103</b>	<b>230,475</b>	<b>6,628</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, 2017**

	<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>\$ 12,100</b>	<b>\$ 12,077</b>	<b>\$ 23</b>
<b>Corrections</b>				
<b>Personnel services</b>	<b>3,567,908</b>	<b>3,567,908</b>	<b>3,308,981</b>	<b>258,927</b>
<b>Operating expenses</b>	<b>1,130,050</b>	<b>1,130,050</b>	<b>1,042,093</b>	<b>87,957</b>
<b>Capital outlay</b>	<b>15,000</b>	<b>2,500</b>	<b>2,345</b>	<b>155</b>
<b>Total corrections</b>	<b>4,712,958</b>	<b>4,700,458</b>	<b>4,353,419</b>	<b>347,039</b>
<b>Sheriff Task Force</b>				
<b>Personnel services</b>	<b>492,188</b>	<b>492,188</b>	<b>418,200</b>	<b>73,988</b>
<b>Operating expenses</b>	<b>54,700</b>	<b>64,086</b>	<b>98,799</b>	<b>(34,713)</b>
<b>Total Sheriff Task Force</b>	<b>546,888</b>	<b>556,274</b>	<b>516,999</b>	<b>39,275</b>
<b>Community Services</b>				
<b>Personnel services</b>	<b>614,436</b>	<b>614,356</b>	<b>587,933</b>	<b>26,423</b>
<b>Operating expenses</b>	<b>99,150</b>	<b>96,000</b>	<b>93,089</b>	<b>2,911</b>
<b>Total community affairs</b>	<b>713,586</b>	<b>710,356</b>	<b>681,022</b>	<b>29,334</b>
<b>Bullet Proof Vest</b>				
<b>Operating expenses</b>	<b>-</b>	<b>-</b>	<b>5,872</b>	<b>(5,872)</b>
<b>Information Technology</b>				
<b>Operating expenses</b>	<b>141,903</b>	<b>167,612</b>	<b>166,822</b>	<b>790</b>
<b>Capital outlay</b>	<b>100,000</b>	<b>115,100</b>	<b>114,599</b>	<b>501</b>
<b>Total Information Technology</b>	<b>\$ 241,903</b>	<b>\$ 282,712</b>	<b>\$ 281,421</b>	<b>\$ 1,291</b>
<b>Courts Judicial</b>				
<b>Personnel services</b>	<b>650,466</b>	<b>652,466</b>	<b>651,555</b>	<b>911</b>
<b>Operating expenses</b>	<b>70,785</b>	<b>65,785</b>	<b>62,332</b>	<b>3,453</b>
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total court judicial</b>	<b>721,251</b>	<b>718,251</b>	<b>713,887</b>	<b>4,364</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, 2017**

	<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>				
Personnel services	133,316	133,396	133,366	30
Operating expenses	6,800	8,700	8,692	8
<b>Total Stop</b>	<b>\$ 140,116</b>	<b>\$ 142,096</b>	<b>\$ 142,058</b>	<b>\$ 38</b>
<b>Crime Analyst Grant</b>				
Personnel services	-	-	40,918	(40,918)
Operating expenses	-	-	287	(287)
<b>Total JAG equipment grant</b>	<b>-</b>	<b>-</b>	<b>41,205</b>	<b>(41,205)</b>
<b>Total expenditures</b>	<b>13,865,542</b>	<b>14,160,642</b>	<b>13,726,808</b>	<b>433,834</b>
<b>Excess of revenues over (under)</b>				
<b>    expenditures</b>	<b>(13,865,542)</b>	<b>(14,160,642)</b>	<b>(13,351,591)</b>	<b>809,051</b>
<b>Other financing sources</b>				
<b>Transfers from the Board of</b>				
<b>County Commissioners</b>	<b>13,865,542</b>	<b>14,160,642</b>	<b>13,351,591</b>	<b>(809,051)</b>
<b>Total other financing sources</b>	<b>13,865,542</b>	<b>14,160,642</b>	<b>13,351,591</b>	<b>(809,051)</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.

## **SPECIAL REVENUE FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
September 30, 2017**

	<b>Minimum Standards School</b>	<b>Forfeiture</b>	<b>Inmate Welfare</b>	<b>Forfeiture Nongrant</b>	<b>Work Program</b>	<b>Totals</b>
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash	\$ 21,863	\$ 26,016	\$ 385,940	\$ 164,973	\$ 10,216	\$ 609,008
Commissions receivable	-	-	3,946	-	-	3,946
Due from other funds	-	-	20,689	-	-	20,689
Due from other governmental units	-	4,627	-	-	-	4,627
<b>Total current assets</b>	<b>\$ 21,863</b>	<b>\$ 30,643</b>	<b>\$ 410,575</b>	<b>\$ 164,973</b>	<b>\$ 10,216</b>	<b>\$ 638,270</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 2,215	\$ 217	\$ 59,678	\$ -	\$ -	\$ 62,110
<b>Total liabilities</b>	<b>2,215</b>	<b>217</b>	<b>59,678</b>	<b>-</b>	<b>-</b>	<b>62,110</b>
<b>FUND BALANCES - Restricted</b>	<b>19,648</b>	<b>30,426</b>	<b>350,897</b>	<b>164,973</b>	<b>10,216</b>	<b>576,160</b>
<b>Total liabilities and fund balances</b>	<b>\$ 21,863</b>	<b>\$ 30,643</b>	<b>\$ 410,575</b>	<b>\$ 164,973</b>	<b>\$ 10,216</b>	<b>\$ 638,270</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, 2017**

	<b>Minimum Standards School</b>	<b>Forfeiture</b>	<b>Inmate Welfare</b>	<b>Forfeiture Nongrant</b>	<b>Work Program</b>	<b>Totals</b>
<b>REVENUES</b>						
<b>Charges for services</b>						
<b>Public Safety</b>						
Other public safety charges	\$ -	\$ 22,979	\$ -	\$ -	\$ -	\$ 22,979
<b>Fines and forfeitures</b>						
<b>Court cases</b>						
Confiscated property and restitution	-	25,865	-	5,902	-	31,767
Law enforcement education	11,779	-	-	-	-	11,779
<b>Total fines and forfeitures</b>	<u>11,779</u>	<u>25,865</u>	<u>-</u>	<u>5,902</u>	<u>-</u>	<u>43,546</u>
<b>Miscellaneous</b>						
Interest	29	29	196	210	4	468
<b>Other miscellaneous</b>						
Commissions	-	-	193,442	-	-	193,442
Other	-	-	16,272	-	6,186	22,458
<b>Total miscellaneous</b>	<u>29</u>	<u>29</u>	<u>209,910</u>	<u>210</u>	<u>6,190</u>	<u>216,368</u>
<b>Total revenues</b>	<u>11,808</u>	<u>48,873</u>	<u>209,910</u>	<u>6,112</u>	<u>6,190</u>	<u>282,893</u>
<b>EXPENDITURES</b>						
<b>Public Safety</b>						
<b>Law enforcement</b>						
Operating expenses	20,122	27,841	-	33,674	131	81,768
Capital outlay	-	17,760	-	74,341	-	92,101
<b>Total law enforcement</b>	<u>20,122</u>	<u>45,601</u>	<u>-</u>	<u>108,015</u>	<u>131</u>	<u>173,869</u>

(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, 2017**

	<b>Minimum Standards School</b>	<b>Forfeiture</b>	<b>Inmate Welfare</b>	<b>Forfeiture Nongrant</b>	<b>Work Program</b>	<b>Totals</b>
<b>Detention and correction</b>						
Personnel services	\$ -	\$ -	\$ 13,944	\$ -	\$ -	\$ 13,944
Operating expenses	-	-	162,913	-	-	162,913
Capital outlay	-	-	56,734	-	-	56,734
Total detention and correction	-	-	233,591	-	-	233,591
Total expenditures	<u>20,122</u>	<u>45,601</u>	<u>233,591</u>	<u>108,015</u>	<u>131</u>	<u>407,460</u>
<b>Excess of revenues over (under ) expenditures</b>	<u>(8,314)</u>	<u>3,272</u>	<u>(23,681)</u>	<u>(101,903)</u>	<u>6,059</u>	<u>(124,567)</u>
<b>Net change in fund balances</b>	(8,314)	3,272	(23,681)	(101,903)	6,059	(124,567)
Fund balances beginning of year	27,962	27,154	374,578	266,876	4,157	700,727
Fund balances end of year	<u>\$ 19,648</u>	<u>\$ 30,426</u>	<u>\$350,897</u>	<u>\$164,973</u>	<u>\$ 10,216</u>	<u>\$576,160</u>

See notes to financial statements.

## **AGENCY FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 2017**

	<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	\$ 367,645	\$ 6,757	\$ 34,575	\$ 9,111	\$ 418,088
Accounts receivable	1,741,522	-	-	-	1,741,522
<b>Total current assets</b>	<u>\$ 2,109,167</u>	<u>\$ 6,757</u>	<u>\$ 34,575</u>	<u>\$ 9,111</u>	<u>\$ 2,159,610</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Due to individuals	\$ 7,111	\$ -	\$ -	\$ -	\$ 7,111
Due to Board of County Commissioners		5,257	-	-	5,257
Due to other funds	22,669	-	-	-	22,669
Other current liabilities	2,079,387	1,500	34,575	9,111	2,124,573
<b>Total current liabilities</b>	<u>\$ 2,109,167</u>	<u>\$ 6,757</u>	<u>\$ 34,575</u>	<u>\$ 9,111</u>	<u>\$ 2,159,610</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, 2017**

	Balance Oct. 1, 2016	Additions	Deletions	Balance Sept. 30, 2017
<b>INMATE TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 376,280	\$ 462,451	\$ 471,087	\$ 367,644
Due from individuals	1,333,199	408,323	-	1,741,522
<b>Total assets</b>	<u>\$ 1,709,479</u>	<u>\$ 870,773</u>	<u>\$ 471,087</u>	<u>\$ 2,109,166</u>
<b>LIABILITIES</b>				
Due to individuals	\$ 6,775	\$ 41,590	\$ 41,927	\$ 7,111
Due to other funds	33,661	33,661	22,669	22,669
Other current liabilities	1,669,044	465,884	876,227	2,079,387
<b>Total liabilities</b>	<u>\$ 1,709,479</u>	<u>\$ 541,135</u>	<u>\$ 940,822</u>	<u>\$ 2,109,166</u>
<b>INDIVIDUAL DEPOSITORS</b>				
<b>ASSETS</b>				
Cash	\$ 6,880	\$ 83,806	\$ 83,929	\$ 6,757
<b>Total assets</b>	<u>\$ 6,880</u>	<u>\$ 83,806</u>	<u>\$ 83,929</u>	<u>\$ 6,757</u>
<b>LIABILITIES</b>				
Individual depositors liability	\$ -	\$ 10,040	\$ 11,540	\$ 1,500
Due to Board of County Commissioners	6,880	73,889	72,266	5,257
<b>Total liabilities</b>	<u>\$ 6,880</u>	<u>\$ 83,929</u>	<u>\$ 83,806</u>	<u>\$ 6,757</u>
<b>EVIDENCE TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 15,867	\$ 39,316	\$ 20,607	\$ 34,575
<b>Total assets</b>	<u>\$ 15,867</u>	<u>\$ 39,316</u>	<u>\$ 20,607</u>	<u>\$ 34,575</u>
<b>LIABILITIES</b>				
Other current liabilities	\$ 15,867	\$ 20,607	\$ 39,316	\$ 34,575
<b>Total liabilities</b>	<u>\$ 15,867</u>	<u>\$ 20,607</u>	<u>\$ 39,316</u>	<u>\$ 34,575</u>
<b>DONATIONS TRUST</b>				
<b>ASSETS</b>				
Cash	\$ 5,966	\$ 32,551	\$ 29,406	\$ 9,111
<b>Total assets</b>	<u>\$ 5,966</u>	<u>\$ 32,551</u>	<u>\$ 29,406</u>	<u>\$ 9,111</u>
<b>LIABILITIES</b>				
Other current liabilities	\$ 5,966	\$ 29,406	\$ 32,551	\$ 9,111
<b>Total liabilities</b>	<u>\$ 5,966</u>	<u>\$ 29,406</u>	<u>\$ 32,551</u>	<u>\$ 9,111</u>
<b>TOTALS-ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash	\$ 404,993	\$ 618,124	\$ 605,028	\$ 418,088
Due from individuals	1,333,199	408,323	-	1,741,522
<b>Total assets</b>	<u>\$ 1,738,192</u>	<u>\$ 1,026,447</u>	<u>\$ 605,028</u>	<u>\$ 2,159,610</u>
<b>LIABILITIES</b>				
Individual depositors liability	\$ -	\$ 10,040	\$ 11,540	\$ 1,500
Due to individuals	6,775	41,590	41,927	7,111
Due to other funds	33,661	33,661	22,669	22,669
Due to Board of County Commissioners	6,880	73,889	72,266	5,257
Other current liabilities	1,690,876	515,897	948,094	2,123,073
<b>Total liabilities</b>	<u>\$ 1,738,192</u>	<u>\$ 675,077</u>	<u>\$ 1,096,495</u>	<u>\$ 2,159,610</u>

## **COMPLIANCE SECTION**

**COLUMBIA COUNTY FLORIDA  
SHERIFF  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Fiscal Year Ended September 30, 2017**

<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) 9/30/2017</b>
<b>FEDERAL AWARDS</b>								
<b>U.S. Department of Justice</b>								
<b>Bureau of Justice Assistance/Office of Criminal Justice Grants</b>								
Bulletproof Vest Grant	16.607	FY2015	\$ 5,813	\$ 5,191	\$ -	\$ 622	\$ 622	\$ -
Bulletproof Vest Grant	16.607	FY2016	5,250	-	-	5,250	5,250	5,172
Total U.S. Department of Justice			<u>11,063</u>	<u>5,191</u>	<u>-</u>	<u>5,872</u>	<u>5,872</u>	<u>5,172</u>
<b>U.S. Department of Homeland Security</b>								
<b>passed through State of Florida Division of Emergency Management</b>								
Homeland Security Grant Program - Crime Analyst Grant	97.067	16-DS-T9-03-22-01-304	58,000	32,798	-	9,296	9,296	-
Homeland Security Grant Program - Crime Analyst Grant	97.067	17-DS-V4-03-22-23-251	58,000	-	-	31,909	31,909	10,611
Total U.S. Department of Homeland Security			<u>116,000</u>	<u>32,798</u>	<u>-</u>	<u>41,205</u>	<u>41,205</u>	<u>10,611</u>
Total Federal Awards			<u>\$ 127,063</u>	<u>\$ 37,989</u>	<u>\$ -</u>	<u>\$ 47,077</u>	<u>\$ 47,077</u>	<u>\$ 15,783</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, 2017**

**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*.

**1. 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, 2017, 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 April 11, 2018.

**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  
April 11, 2018

**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, 2017, and have issued our report thereon dated April 11, 2018.

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 April 11, 2018, 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, 2017. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

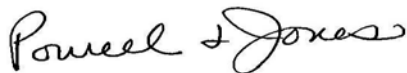
Financial Emergency Status - We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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

April 11, 2018



## INDEPENDENT ACCOUNTANT'S REPORT

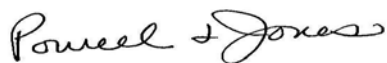
To The Sheriff  
Columbia County, Florida

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, 2017. 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, 2017.

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  
April 11, 2018

## **SUPERVISOR OF ELECTIONS**

**COLUMBIA COUNTY, FLORIDA  
SUPERVISOR OF ELECTIONS**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2017**

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**Powell & Jones**  
Certified Public Accountants

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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, 2017, 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.

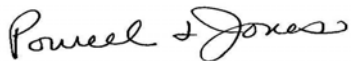
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of 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, 2017, 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 April 5, 2018, 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  
April 5, 2018

## **FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**SUPERVISOR OF ELECTIONS  
GENERAL FUND  
BALANCE SHEET  
September 30, 2017**

**ASSETS**

**Current Assets**

<b>Cash</b>	<b>\$</b>	<b>50,783</b>
<b>Total assets</b>	<b>\$</b>	<b>50,783</b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

**Current Liabilities**

<b>Accounts payable</b>	<b>\$</b>	<b>19,015</b>
<b>Accrued liabilities</b>		<b>5,587</b>
<b>Due to Board of County Commissioners</b>		<b>26,181</b>
<b>Total liabilities</b>		<b>50,783</b>
<b>FUND BALANCE</b>		<b>-</b>
<b>Total liabilities and fund balance</b>	<b>\$</b>	<b>50,783</b>

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, 2017**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental			
Federal grants			
Voter education	\$ -	\$ 33,929	\$ 33,929
Total intergovernmental	-	33,929	33,929
Miscellaneous			
Other	-	344	344
Total miscellaneous	-	344	344
Total revenues	-	34,273	34,273
<b>EXPENDITURES</b>			
General government			
Other general government			
Supervisor of Elections			
Personnel services	439,735	531,934	(92,199)
Operating expenses	21,265	58,781	(37,516)
Total Supervisor of Elections	461,000	590,715	(129,715)
Elections			
Personnel services	141,500	23,356	118,144
Operating expenses	175,422	140,029	35,393
Capital outlay	24,559	56,473	(31,914)
Total elections	341,481	219,858	121,623
Total general government	802,481	810,573	(8,092)
Excess of revenues over (under) expenditures	(802,481)	(776,300)	26,181
<b>OTHER FINANCING SOURCES</b>			
Transfers in from Board of County Commissioners	802,481	802,481	-
Transfers out to Board of County Commissioners	-	(26,181)	(26,181)
Total other financing sources	802,481	776,300	(26,181)
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, 2017

**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, 2017, the book balance of the Supervisor of Elections' deposits was \$50,783. 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 \$22,566, 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, 2017, were as follows: Regular Employees 7.92%; Senior Management 22.71%; Elected Officials 45.50%, and employees electing the DROP Program 13.26%. 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, 2017, 2016 and 2015 were \$63,098, \$54,957, and \$53,733, 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,		
2018	\$	3,659
2019		3,354
	\$	<u>7,013</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, 2017, 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 April 5, 2018.

**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  
April 5, 2018

**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, 2017, and have issued our report thereon dated April 5, 2018.

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 April 5, 2018. 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, 2017. 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.

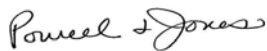
Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition

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, appearing to read "Powell & Jones".

**POWELL & JONES**  
Certified Public Accountants  
April 5, 2018



## **INDEPENDENT ACCOUNTANT'S REPORT**

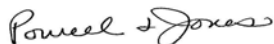
To the Honorable Supervisor of Elections  
Columbia County, Florida

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, 2017. 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, 2017.

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  
April 5, 2018

## **TAX COLLECTOR**

**COLUMBIA COUNTY, FLORIDA**  
**TAX COLLECTOR**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended September 30, 2017**

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**Powell & Jones**  
Certified Public Accountants

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## **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, 2017, 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**

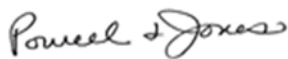
In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Tax Collector, as of September 30, 2017, and the respective changes in financial position and budgetary comparisons and, where applicable, 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 April 5, 2018, 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  
April 5, 2018

## **COMBINED FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**TAX COLLECTOR  
COMBINED BALANCE SHEET - ALL FUND TYPES  
September 30, 2017**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	
	<u>General Fund</u>	<u>Agency Funds</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets			
Cash	\$ 189,257	\$ 2,086,924	\$ 2,276,181
Accounts receivable	2,443	5,166	7,609
Due from other funds	56,711	-	56,711
<b>Total assets</b>	<b>\$ 248,411</b>	<b>\$ 2,092,090</b>	<b>\$ 2,340,501</b>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	\$ 28,911	\$ 406	\$ 29,317
Due to other funds	-	56,711	56,711
Due to Board of County Commissioners	194,097	19,095	213,192
Due to other governmental units	10,920	1,651,787	1,662,707
Accrued payroll deductions and matching	14,483	-	14,483
Occupational licenses payable	-	73,125	73,125
Escrow funds payable	-	121,334	121,334
Tax deeds payable	-	137,799	137,799
Other current liabilities	-	31,833	31,833
<b>Total liabilities</b>	<b>\$ 248,411</b>	<b>\$ 2,092,090</b>	<b>\$ 2,340,501</b>

See notes to financial statements.

**TAX COLLECTOR  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>				
Charges for services				
County Officer commissions and fees				
Professional and occupational licenses	\$ 17,000	\$ 17,553	\$ 17,553	\$ -
Motor vehicle fees	393,000	387,174	372,871	(14,303)
Drivers license fees	158,000	169,570	169,570	-
Concealed weapons fee	64,000	41,018	41,018	-
Other licenses and permits	-	5,003	5,003	-
State commissions	-	1,530	1,530	-
County commissions	735,881	735,881	735,881	-
Tax commissions				
Suwannee Water Management				
District	19,566	19,566	17,479	(2,087)
Lake Shore Hospital Authority	45,997	45,997	41,089	(4,908)
Delinquent tax commissions	199,916	192,049	192,049	-
Special assessment commissions	205,000	214,168	210,243	(3,925)
Special assessment administrative fees	94,603	99,394	99,394	-
Total charges for services	<u>1,932,963</u>	<u>1,928,903</u>	<u>1,903,680</u>	<u>(25,223)</u>
Miscellaneous				
Interest earnings	-	-	416	416
Other miscellaneous	-	-	6,525	6,525
Total miscellaneous	<u>-</u>	<u>-</u>	<u>6,941</u>	<u>6,941</u>
Total revenues	<u>1,932,963</u>	<u>1,928,903</u>	<u>1,910,621</u>	<u>(18,282)</u>
<b>EXPENDITURES</b>				
General government				
Personnel services	1,461,878	1,479,472	1,479,401	71
Operating expenses	242,008	244,414	237,123	7,291
Capital outlay	-	-	-	-
Total expenditures	<u>1,703,886</u>	<u>1,723,886</u>	<u>1,716,524</u>	<u>7,362</u>
(Continued)				
Excess of revenues over (under) expenditures	229,077	205,017	194,097	(10,920)
Other financing sources				
Transfers to Board of County Commissioners	(229,077)	(205,017)	(194,097)	(194,097)
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**

**TAX COLLECTOR**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2017

**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, 2017, the book balance of the Tax Collector's deposits was \$2,271,881. Of this balance, \$250,000 was covered by federal depository insurance, and \$2,021,881 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 \$53,257 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, 2017 were as follows: Regular Employees 7.92%; Senior Management 22.71%; Elected Officials 45.50%; Deferred Retirement Option Program (DROP) 13.26%. 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, 2017, 2016 and 2015 were

\$134,916, \$142,834, and \$148,234, equal to the required contributions for each year.

**NOTE 3. INTERFUND RECEIVABLES AND PAYABLES**

Balances at September 30, 2017, were:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 56,711	\$ -
Ad Valorem Tax Fund	-	56,711
	<u>\$ 56,711</u>	<u>\$ 56,711</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>	
2018	\$ 2,304
2019	2,304
2020	2,304
2021	960
	<u>\$ 7,872</u>

The Tax Collector has an operating lease with Mailfinance for a mail machine with scale. The agreement is being paid in 60 monthly installments of \$139. Future minimum lease payments are as follows:

<u>September 30,</u>	
2018	\$ 279
	<u>\$ 279</u>

Lease expense for the year was \$3,977.

## **COMBINING FUND STATEMENTS**

## **AGENCY FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**TAX COLLECTOR**

**AGENCY FUNDS**

**COMBINING BALANCE SHEET**

**September 30, 2017**

	<b>Ad Valorem Tax Fund</b>	<b>Tag Agency Fund</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash	\$ 1,910,942	\$ 175,982	\$ 2,086,924
Accounts receivable	-	5,166	5,166
<b>Total assets</b>	<b>\$ 1,910,942</b>	<b>\$ 181,148</b>	<b>\$ 2,092,090</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 125	\$ 281	\$ 406
Due to other funds	56,711	-	56,711
Due to Board of County Commissioners	-	19,095	19,095
Due to other governmental units	1,506,275	145,512	1,651,787
Interest payable	918	-	918
Occupational licenses payable	73,125	-	73,125
Escrow funds payable	121,334	-	121,334
Tax deeds payable	137,799	-	137,799
Other current liabilities	14,655	16,260	30,915
<b>Total liabilities</b>	<b>\$ 1,910,942</b>	<b>\$ 181,148</b>	<b>\$ 2,092,090</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, 2017**

	Balance October 1, 2016	Additions	Deductions	Balance September 30, 2017
<b>TAG AGENCY FUND</b>				
<b>Assets</b>				
Cash	\$ 167,933	\$ 7,317,499	\$ 7,309,450	\$ 175,982
Due from others	-	268,566	263,400	5,166
Due from other governmental units	152	-	152	-
Dishonored checks receivable	905	-	905	-
<b>Total assets</b>	<b>\$ 168,990</b>	<b>\$ 7,586,065</b>	<b>\$ 7,573,907</b>	<b>\$ 181,148</b>
<b>Liabilities</b>				
Accounts payable	\$ 6	\$ 275	\$ -	\$ 281
Due to Board of County Commissioners	-	43,202	24,107	19,095
Due to other governmental units	151,988	7,263,879	7,270,355	145,512
Other current liabilities	16,996	227,774	228,510	16,260
<b>Total liabilities</b>	<b>\$ 168,990</b>	<b>\$ 7,535,130</b>	<b>\$ 7,522,972</b>	<b>\$ 181,148</b>
<b>AD VALOREM TAX FUND</b>				
<b>Assets</b>				
Cash	\$ 2,226,981	\$ 60,175,397	\$ 60,491,436	\$ 1,910,942
Dishonored checks receivable	706	-	706	-
<b>Total assets</b>	<b>\$ 2,227,687</b>	<b>\$ 60,175,397</b>	<b>\$ 60,492,142</b>	<b>\$ 1,910,942</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,600	\$ 751,164	\$ 752,639	\$ 125
Due to individuals	201,904	-	201,904	-
Due to other funds	66,229	1,006,621	1,016,139	56,711
Due to other governmental units	1,818,876	54,232,526	54,545,127	1,506,275
Interest payable	1,762	3,822	4,666	918
Occupational licenses payable	80,571	161,681	169,127	73,125
Tax deeds payable	37,611	4,898,951	4,798,763	137,799
Escrow funds payable	-	204,393	83,059	121,334
Other current liabilities	19,134	1,188,614	1,193,093	14,655
<b>Total liabilities</b>	<b>\$ 2,227,687</b>	<b>\$ 62,447,772</b>	<b>\$ 62,764,517</b>	<b>\$ 1,910,942</b>



**COLUMBIA COUNTY, FLORIDA  
TAX COLLECTOR  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Fiscal Year Ended September 30, 2017**

	Balance October 1, 2016	Additions	Deductions	Balance September 30, 2017
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 2,394,914	\$ 67,492,896	\$ 67,800,886	\$ 2,086,924
Due from others	\$ -	\$ 268,566	\$ 263,400	\$ 5,166
Due from other governmental units	152	-	152	-
Dishonored checks receivable	905	-	905	-
<b>Total assets</b>	<b>\$ 2,395,971</b>	<b>\$ 67,761,462</b>	<b>\$ 68,065,343</b>	<b>\$ 2,092,090</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,606	\$ 751,439	\$ 752,639	\$ 406
Due to individuals	201,904	-	201,904	-
Due to other funds	66,229	1,006,621	1,016,139	56,711
Due to Board of County Commissioners	-	43,202	24,107	19,095
Due to other governmental units	1,970,864	61,496,405	61,815,482	1,651,787
Interest payable	1,762	3,822	4,666	918
Occupational licenses payable	80,571	161,681	169,127	73,125
Tax deeds payable	37,611	4,898,951	4,798,763	137,799
Escrow funds payable	-	204,393	83,059	121,334
Other current liabilities	36,130	1,416,388	1,421,603	30,915
<b>Total liabilities</b>	<b>\$ 2,396,677</b>	<b>\$ 69,982,902</b>	<b>\$ 70,287,489</b>	<b>\$ 2,092,090</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, 2017, 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 April 5, 2018.

**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.

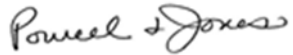
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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  
April 5, 2018

**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, 2017, and have issued our report thereon dated April 5, 2018

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 April 5, 2018. 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, 2017. The financial statements of the Tax Collector are combined with other County agencies in that report.

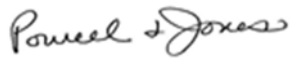
Financial Emergency Status - We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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 that reads "Powell & Jones".

## **POWELL & JONES**

Certified Public Accountants

April 5, 2018

## INDEPENDENT ACCOUNTANT'S REPORT

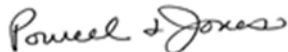
To The Tax Collector  
Columbia County, Florida

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, 2017. 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, 2017.

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  
April 5, 2018



## Ronnie Brannon, Tax Collector

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*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

June 6, 2018

Honorable Tim Murphy, 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, 2017.

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