Gilchrist County, Florida

Audit Report

September 30, 2017

Table of Contents
September 30, 2017

REPORT

Independent Auditor's Report 1

Management's Discussion and Analysis 4

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:

- Statement of Net Position 12
- Statement of Activities 13

Governmental Fund Financial Statements:

- Balance Sheet 14
- Reconciliation of the Balance Sheet to the Statement of Net Position 15
- Statement of Revenues, Expenditures and Changes in Fund Balances 16
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities 17

Proprietary Fund Financial Statements:

- Statement of Net Position 18
- Statement of Revenues, Expenses and Changes in Fund Net Position 19
- Statement of Cash Flows 20

Fiduciary Fund Statements:

- Statement of Fiduciary Net Position 21

Notes to Financial Statements 22

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 45

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – EMS Fund 46

Other Postemployment Benefits:

- Schedule of Funding Progress 47

Pension Plans:

- Schedules of Proportionate Share of Net Pension Liability 48
- Schedules of Employer Contributions 49

Table of Contents
September 30, 2017

SUPPLEMENTARY INFORMATION

Combining Balance Sheet – Nonmajor Governmental Funds 50

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds 54

Combining Statement of Fiduciary Net Position 58

Schedule of Expenditures of State Financial Assistance 59

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL

Management Letter 60

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes 62

Independent Accountant's Report on Compliance with Sections 365.172(10) and 365.173(2)(d), Florida Statutes 63

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* 64

Independent Auditor's Report on Compliance for Each Major State Project and on Internal Control Over Compliance Required by Chapter 10.550, Rules of the Auditor General 66

Schedule of Findings and Questioned Costs 68

Management's Response --

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable County Commissioners
Gilchrist County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gilchrist County, Florida (the "County") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2017, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the "required supplementary information" identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The information listed in the table of contents as supplementary information, including the Schedule of Expenditures of State Financial Assistance, which is required by Chapter 10.550, Rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic 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 October 29, 2018, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

Gainesville, Florida
October 29, 2018

This Management Discussion and Analysis provides an objective and easily readable analysis of the County's financial activities for fiscal year ending September 30, 2017. The analysis provides summary financial information for the County and should be read in conjunction with the county's financial statements.

FINANCIAL HIGHLIGHTS

- Gilchrist County's assets and deferred outflows exceeded total liabilities and deferred inflows by $28,665,522 *(net position)*. Of this amount, $437,717 is unrestricted net position while $26,276,243 was net investment in capital assets. The remaining $1,951,562 is restricted net position.
- The County's total net position decreased $427,229 from the previous year.
- At September 30, 2017, the unassigned fund balance for the General Fund was $6,764,459 or 46.2% of expenditures and transfers out.
- At September 30, 2017, the County's governmental funds reported a combined fund balance of $10,586,508.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business. The two government-wide financial statements are the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on all assets and deferred outflows and liabilities and deferred inflows of the County, with the difference between the two reported as *net position*. Changes in net position over time may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information on all revenues and expenses of the County and the change in net position for the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes and accounts payable.)

Both statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues *(governmental activities).* Governmental activities of the County include general governmental services, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and court costs.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Transportation Trust Fund and EMS Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds – Internal service funds are used to accumulate and allocate costs internally for a government's various functions. The County used an internal service fund to account for its self-insured health plan until the prior fiscal year 2016. For the current fiscal year, the internal service fund was not used and it only generated passive income. The County plans to eliminate the internal service fund during the fiscal year ending September 30, 2018. Enterprise funds are used to report business-type activities. The County has no enterprise funds.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the county's own programs.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements, and accompanying notes, this report also presents certain required supplementary information containing budget to actual comparisons for the general fund and major special revenue funds, the OPEB schedules of funding progress and the pension plans' schedules of proportionate share of liability and employer contributions. Following the required supplementary information can be found combining balance sheets and combining statements of revenues, expenditures, and changes in fund balances for the non-major governmental funds, combining statement of fiduciary net position and schedule of expenditures of state awards.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Gilchrist County, assets and deferred outflows exceeded liabilities and deferred inflows by $28,665,522 and $29,092,751 at the close of the fiscal years ending September 30, 2017 and 2016, respectively.

Gilchrist County
Net Position, End of Year

	2017	2016
	Governmental Activities	
Current and other assets	**$ 12,151,727**	$ 11,227,050
Capital assets, net	**27,866,663**	28,070,770
Total assets	**40,018,390**	39,297,820
Deferred outflows	**5,511,416**	6,004,758
Other liabilities	**1,124,535**	991,471
Long-term liabilities	**14,789,115**	13,017,209
Total liabilities	**15,913,650**	14,008,680
Deferred inflows	**950,634**	2,201,147
Net position:		
Net investment in capital assets	**26,276,243**	26,465,280
Restricted	**1,951,562**	2,105,651
Unrestricted	**437,717**	521,820
Total net position	**$ 28,665,522**	$ 29,092,751

The largest portion of the County's net position (92%) reflects its investment in capital assets (e.g. land, parks, 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 portion of the County's net position (6.8%) represents resources that are subject to restrictions imposed externally.

Changes in Net Position

The following schedule provides a summary of the changes in net position.

Gilchrist County
Changes in Net Position

	2017	2016
	Governmental Activities	
Program revenues:		
Charges for services	$ **4,194,882**	$ 4,013,373
Operating grants and contributions	**3,694,937**	4,865,302
Capital grants and contributions	**1,292,761**	475,000
General revenues:		
Property taxes	**6,278,481**	6,168,110
Other taxes	**1,461,626**	1,432,629
Shared revenues	**3,417,699**	3,299,960
Other revenues	**701,844**	530,079
Total revenues	**21,042,230**	20,784,453
Expenses:		
General government	**3,867,811**	3,892,497
Public safety	**8,834,487**	7,314,879
Physical environment	**1,279,270**	1,114,816
Transportation	**4,916,604**	6,150,023
Economic environment	**502,600**	449,763
Human services	**612,452**	634,136
Culture and recreation	**590,589**	600,492
Court related	**828,747**	858,089
Interest on long-term debt	**36,899**	46,417
Total expenses	**21,469,459**	21,061,112
Change in net position	**(427,229)**	(276,659)
Net position - beginning of year	**29,092,751**	29,369,410
Net position - end of year	$ **28,665,522**	$ 29,092,751

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

At year-end, the County's governmental funds reported a combined fund balance of $10,586,508 an increase of $1,535,237. Components of this change include an increase of $1,365,821 in the General Fund, an increase of $67,643 in the EMS Fund and an increase of $101,773 in the nonmajor governmental funds.

At the current time the County has two major governmental funds. They are 1) General Fund; and 2) EMS Fund.

The General Fund is the chief operating fund of the County. At the end of fiscal year 2017, the unassigned fund balance of the General Fund was $6,764,459, which is approximately 46.2% of the expenditures and transfers for fiscal year 2017.

The EMS Fund accounts for the operations of the Emergency Medical Services Department. Revenues are primarily from ambulance fees charged for emergency transport and medical services, and from ad valorem taxes. The fund had a total fund balance of $693,174 at year-end. This was an increase of $67,643 from prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget was amended during the year for unanticipated grant revenues, charges for services and intergovernmental revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The following schedule provides a summary of the County's capital assets.

Capital Assets, Net of Depreciation

	Governmental Activities
Land	$ 1,293,695
Buildings, net	8,531,703
Infrastructure, net	12,998,509
Improvements, net	2,257,686
Equipment, net	2,667,510
Construction in Progress	117,560
Total	$ 27,866,663

The County's total investment in capital assets for its governmental activities as of September 30, 2017, was $27,866,663 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, improvements, machinery and equipment, and construction in progress.

Additional information on the County's capital assets may be found in Note 6 of the accompanying financial statements.

Long-Term Debt

At September 30, 2017, the County's outstanding long-term debt was $14,789,115.

Additional information on the County's long-term obligations can be found in Note 7 of the accompanying financial statements.

NEXT YEAR'S BUDGET AND SIGNIFICANT FINANCIAL CONDITIONS

- The millage rate remained the same at 9.5 mills for fiscal year 2018.
- The unemployment rate for the County remained at 3.8% for 2018.

REQUESTS FOR INFORMATION

This report was prepared by the Finance Department under the direction of the Clerk of the Court. Questions concerning this report or requests for additional information should be addressed to:

Gilchrist County Clerk of the Court
Finance Department
P. O. Box 37
Trenton, Florida 32693

Gilchrist County, Florida

Statement of Net Position
September 30, 2017

	Governmental Activities
Assets	
Cash and equivalents	$ 7,083,485
Investments	3,034,827
Due from other governments	1,635,119
Receivables, net of allowance	366,573
Inventory	31,723
Capital assets:	
Non-depreciable	1,411,255
Depreciable, net	26,455,408
Total assets	40,018,390
Deferred outflows of resources	
Pension related	5,511,416
Liabilities	
Accounts payable and accrued liabilities	1,124,535
Noncurrent liabilities:	
Due within one year	747,507
Due in more than one year	14,041,608
Total liabilities	15,913,650
Deferred inflows of resources	
Pension related	950,634
Net position	
Net investment in capital assets	26,276,243
Restricted:	
Public safety	698,429
Physical environment	336,672
Transportation	123,260
Economic environment	95,541
Court related	574,697
Other	122,963
Unrestricted	437,717
Total net position	$ 28,665,522

See accompanying notes.

Statement of Activities
Year ended September 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
General government	$ 3,867,811	$ 373,056	$ 272,580	$ -	$ (3,222,175)
Public safety	8,834,487	2,289,494	93,435	-	(6,451,558)
Physical environment	1,279,270	713,702	-	-	(565,568)
Transportation	4,916,604	29,204	2,654,002	1,267,761	(965,637)
Economic environment	502,600	7,885	350,000	-	(144,715)
Human services	612,452	62,034	1,000	-	(549,418)
Culture and recreation	590,589	477,552	36,930	25,000	(51,107)
Court related	828,747	241,955	286,990	-	(299,802)
Interest on long-term debt	36,899	-	-	-	(36,899)
Total	$ 21,469,459	$ 4,194,882	$ 3,694,937	$ 1,292,761	(12,286,879)
General revenues:					
Property taxes					6,278,481
Sales taxes					864,836
Gas taxes					468,705
Tourist development tax					51,692
Communication service tax					76,393
Shared revenues					3,417,699
Investment earnings					79,100
Miscellaneous					622,744
Total general revenues					11,859,650
Change in net position					(427,229)
Net position - beginning of year					29,092,751
Net position - end of year					$ 28,665,522

See accompanying notes.

Balance Sheet – Governmental Funds
September 30, 2017

	General Fund	EMS Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and equivalents	$ 4,140,252	$ 514,510	$ 2,197,603	$ 6,852,365
Investments	2,524,129	73,836	436,862	3,034,827
Receivables, net of allowance	29,176	336,397	1,000	366,573
Due from other funds	104,091	613	5,079	109,783
Due from other governments	1,430,607	317	204,195	1,635,119
Inventory	31,723	-	-	31,723
Total assets	$ 8,259,978	$ 925,673	$ 2,844,739	$ 12,030,390
Liabilities				
Accounts payable and accrued liabilities	$ 864,710	$ 32,875	$ 226,950	$ 1,124,535
Due to other funds	5,692	2,364	101,727	109,783
Total liabilities	870,402	35,239	328,677	1,234,318
Deferred inflows				
Unavailable revenue	775	197,260	11,529	209,564
Fund balances				
Nonspendable	31,723	-	-	31,723
Restricted	118,759	-	2,045,933	2,164,692
Assigned	473,860	693,174	458,600	1,625,634
Unassigned	6,764,459	-	-	6,764,459
Total fund balances	7,388,801	693,174	2,504,533	10,586,508
Total liabilities, deferred inflows and fund balances	$ 8,259,978	$ 925,673	$ 2,844,739	$ 12,030,390

See accompanying notes.

Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
September 30, 2017

Fund balances - total governmental funds	$ 10,586,508
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not reported in the governmental funds.	
Capital assets – net	27,866,663
Deferred outflows and inflows accociated with with pensions are not reported in the governmental funds.	
Deferred outflows	5,511,416
Deferred inflows	(950,634)
Long-term liabilities are not reported in the governmental funds.	
Bonds payable	(106,983)
Notes payable	(1,296,441)
Capital lease	(186,996)
Title IVD recapture	(50,933)
Landfill postclosure care	(39,889)
Compensated absences	(639,100)
Net OPEB obligation	(486,278)
Net pension liability	(11,982,495)
Deferred inflows for earned but unavailable revenue are reported in the governmental funds but not in the statement of net position.	209,564
The assets and liabilities of the internal service fund are reported with governmental activities.	231,120
Net position of governmental activities	$ 28,665,522

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2017

	General Fund	EMS Fund	Other Govern-mental Funds	Total Govern-mental Funds
Revenues				
Taxes	$ 6,618,853	$ 652,547	$ 466,172	$ 7,737,572
Licenses, permits and special assessments	212,980	-	1,213,292	1,426,272
Intergovernmental	7,333,118	64,936	1,877,119	9,275,173
Charges for services	1,199,449	1,098,412	366,468	2,664,329
Fines and forfeitures	100	-	9,194	9,294
Miscellaneous	464,395	10,847	275,811	751,053
Total revenues	15,828,895	1,826,742	4,208,056	21,863,693
Expenditures				
Current:				
General government	3,377,596	-	66,818	3,444,414
Public safety	5,345,057	1,749,002	1,145,657	8,239,716
Physical environment	354,648	-	790,280	1,144,928
Transportation	3,540,149	-	1,466,381	5,006,530
Economic environment	80,515	-	375,975	456,490
Human services	642,866	-	-	642,866
Culture and recreation	564,791	-	-	564,791
Court related	274,991	-	472,455	747,446
Capital outlays	-	-	29,306	29,306
Debt service:				
Principal retirement	147,081	93,957	280,337	521,375
Interest and fiscal charges	4,983	6,357	25,559	36,899
Total expenditures	14,332,677	1,849,316	4,652,768	20,834,761
Excess of revenues over (under) expenditures	1,496,218	(22,574)	(444,712)	1,028,932
Other financing sources (uses)				
Debt issued	-	129,025	377,280	506,305
Transfers in	185,632	-	365,874	551,506
Transfers out	(316,029)	(38,808)	(196,669)	(551,506)
Total other financing sources (uses)	(130,397)	90,217	546,485	506,305
Net change in fund balances	1,365,821	67,643	101,773	1,535,237
Fund balances - beginning of year	6,022,980	625,531	2,402,760	9,051,271
Fund balances - end of year	$ 7,388,801	$ 693,174	$ 2,504,533	$ 10,586,508

See accompanying notes.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Funds
Year ended September 30, 2017

Net change in fund balances - total governmental funds	$ 1,535,237
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.	
Acquisitions of capital assets	2,097,448
Current year depreciation expense	(2,257,183)
Loss on disposal of capital assets	(44,372)
The timing of revenue recognition sometimes differs between governmental funds and the statement of activities.	(745,962)
The issuance of long-term debt provides current financial resources for governmental funds, but does not effect net position of governmental activities.	
Notes payable and capital leases	(506,305)
Title IV-D recapture	(51,462)
Repayment of debt is an expenditure in the governmental funds, but the repayment does not effect net position of governmental activities.	
Principal payments	521,375
Title IV-D recapture payment	529
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Compensated absences	(92,852)
Landfill postclosure care	(512)
Net OPEB obligation	(256)
The change in net pension liability and deferred outflows and inflows are reported in the statement of activities, but not in the governmental funds.	
Change in net pension liability	(1,642,423)
Change in deferred outflows related to pensions	(500,697)
Change in deferred inflows related to pensions	1,250,513
Change in deferred outflow for contributions subsequent to the measurement date	7,355
Internal service fund was used to charge the cost of risk management to individual funds. The net revenue is reported with governmental activities.	2,338
Change in net position of governmental activities	$ (427,229)

See accompanying notes.

Statement of Net Position – Proprietary Funds
September 30, 2017

	Governmental Activities
	Internal Service Fund
Current assets	
Cash and equivalents	$ 231,120
Liabilities	-
Net position	
Unrestricted	$ 231,120

See accompanying notes.

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
September 30, 2017

	Governmental Activities Internal Service Fund
Operating revenues	$ -
Operating expenses	-
Operating income	-
Nonoperating revenues	
Interest revenue	2,338
Change in net position	2,338
Net position - beginning of year	228,782
Net position - end of year	$ 231,120

See accompanying notes.

Statement of Cash Flows – Proprietary Funds
Year ended September 30, 2017

	Governmental Activities Internal Service Fund
Cash flows from operating activities	
Cash received for premiums	$ 23,105
Cash flows from investing activities	
Interest received	2,338
Net change in cash and equivalents	25,443
Cash and equivalents - beginning of year	205,677
Cash and equivalents - end of year	$ 231,120
Reconciliation of operating income to net cash provided (used) by operating activities	
Operating income (loss)	$ -
Change in assets and liabilities:	
Accounts receivable	23,105
Net cash provided (used) by operating activities	$ 23,105

See accompanying notes.

Statement of Fiduciary Net Position
September 30, 2017

	Agency Funds
Assets	
Cash and equivalents	$ 617,562
Receivables	34,091
Total assets	651,653
Liabilities	
Assets held for others	651,653
Net position	$ -

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The County is a non-charter, general purpose local government established under the legal authority of the Constitution of the State of Florida. It is composed of an elected five-member Board of County Commissioners (the "Board") and five elected constitutional officers – the Clerk of the Circuit Court, the Sheriff, the Tax Collector, the Property Appraiser, and the Supervisor of Elections – that operate as separate county agencies. The accompanying financial statements present the County as the primary government.

The County uses the criteria established in GASB Statement No. 14, as amended, to define the reporting entity and identify component units. Component units are legally separate entities for which the County is considered to be financially accountable. In addition, component units can be other organizations for which their relationship with the County would cause the County's financial statements to be misleading by their exclusion.

Blended component units, although legally separate entities, are in substance part of the County's operations and, accordingly, data from these units are combined with data of the primary government. The County does not report any blended component units.

Discretely presented component units, on the other hand, are reported in separate columns to emphasize that they are legally separate from the primary government. The Gilchrist County Industrial Development Authority (the "Authority"), is a dependent special district which was established by Chapter 159, Part III, Florida Statutes. The board of the Authority is appointed by the Board. The Authority is reported in the General Fund because its activity is immaterial. Separate financial statements of the Authority are not available.

Joint Venture

The governments of Lafayette, Dixie, Taylor and Gilchrist Counties established the Three Rivers Regional Library System (the "Library") through an interlocal agreement. The Library is an organization established for the purpose of providing a regional approach to library services without regard to political or governmental boundaries. The Library is governed by a governing board made up of a commissioner from each participating County.

The County does not have an ongoing financial interest in the Library. However, the County does have an ongoing financial responsibility to the Library in that the Library's continued existence depends on the County's continuing participation.

A copy of the Library's separate financial statements may be obtained from its offices in Mayo, Florida.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees charged to external parties. The County has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: charges for services that are directly related to a given function; and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other revenues not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

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

The County reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund consists of the board of county commissioners' general fund as well as each constitutional officer's general operating fund, net of intrafund transactions.

EMS Fund – This fund (Emergency Medical Services Fund) is used to account for and report the operations of the Emergency Medical Services Department. Revenues are primarily from ambulance fees charged for emergency transport and medical services, and from ad valorem taxes.

Additionally, the County reports the following funds:

Internal service fund, which accounts for the risk financing activities of the board and other county agencies on a cost reimbursement basis. For the current fiscal year, the internal service fund was not used and it only generated passive income. The County plans to eliminate the internal service fund during the fiscal year ending September 30, 2018.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Agency funds, which are fiduciary funds used to account for resources held in a purely custodial capacity.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Deposits with Financial Institutions

All deposits are placed in banks that qualify as public depositories, as required by law (Florida Security for Public Deposits Act). Accordingly, all deposits are insured by Federal depository insurance and/or collateralized pursuant to Chapter 280, Florida Statutes.

Investments

The County's investment in the State Pool is reported at amortized cost. The investment in FLGIT is reported at fair value.

Receivables

Accounts receivable of the EMS Fund are reported net of an allowance for uncollectable accounts of approximately $224,000. The allowance represents approximately 40% of gross ambulance service accounts receivable at September 30, 2017. The County considers all other receivables to be fully collectible.

Capital Assets

Capital assets are valued at historical cost or estimated historical cost. Donated capital assets are recorded at estimated acquisition value on the date donated. The threshold for capitalizing property and equipment is generally $1,000.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Buildings	30-50 years
Improvements	20-25 years
Infrastructure	25-50 years
Equipment	4-20 years

Compensated Absences

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

Restricted Net Position

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

The accompanying government-wide statement of net position includes approximately $850,000 of net position restricted by enabling legislation.

Fund Balance

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan and Health Insurance Subsidy Program and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

A *deferred outflow of resources* is a consumption of net assets that applies to a future reporting period.

A *deferred inflow of resources* is an acquisition of net assets that is applicable to a future reporting period.

Use of Estimates

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

NOTE 2 – PROPERTY TAXES

Details of the property tax calendar are presented below:

Lien date	January 1
Levy date	October 1
Discount periods	November - February
Delinquent date	April 1

NOTE 3 – INVESTMENTS

The County invests excess public funds pursuant to its investment policy. Accordingly, the County is authorized to invest excess public funds in the following instruments: The Local Government Surplus Funds Trust Fund, the State Investment Pool administered by the State Board of Administration, the Florida Local Government Investment Trust, Securities and Exchange Commission registered money market funds with the highest credit quality rating; savings accounts and certificates of deposit in qualified public depositories; direct obligations of the U.S. Treasury, repurchase agreements secured by investments authorized above, obligations of the Government National Mortgage Association, obligations of Government Sponsored Enterprises, obligations of the Federal National Mortgage Association, and interest-bearing obligations with a fixed maturity of any corporation within the United States.

At year-end, the County's investments consisted of:

State Pool (Florida PRIME)	$	188,157
FLGIT		2,846,670
Total investments	$	3,034,827

The Local Government Surplus Funds Trust Fund (Florida PRIME) is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. Florida PRIME is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the County's investment in Florida PRIME is reported at amortized cost.

The Florida Local Governments Investment Trust ("FLGIT"), an external local government investment pool administered by the Florida Association of Court Clerks and Comptrollers, is not registered with the SEC. The fair value of the position in the FLGIT is equal to the value of the pool shares; the County's investment in FLGIT is in the Short-term Bond Fund.

Investment Risks

The County's investments expose it to risks. The County's investment policy is designed to mitigate these risks, which are hereafter described.

NOTE 3 – INVESTMENTS (CONTINUED)

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations. Prime investment pools are rated AAAm by Standard and Poor's at September 30, 2017. FLGIT has a rating of AAAf.

Interest Rate Risk – The risk that changes in interest rates will adversely affect the fair value of an investment. At September 30, 2017, the dollar weighted average days to maturity of the SBA was 52 days and the average maturity of FLGIT was 44.98 days.

NOTE 4 – FAIR VALUE MEASUREMENTS

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of September 30, 2017:

- Investment pools organized pursuant to Florida Statutes 163.01 – Valued at the daily closing price as reported by the fund.

The following table summarizes the County's assets for which fair values are determined on a recurring basis:

Investment Measured at Fair Value	Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FLGIT	$ 2,846,670	$ -	$ -	$ -
Total investments measured at fair value	$ 2,846,670	$ -	$ -	$ -

The County's investment in FLGIT is not categorized in the fair value hierarchy because investments in external investment pools are not required to be categorized.

NOTE 5 – FUND BALANCE CLASSIFICATIONS

Fund balance is *restricted* for the following purposes:

	General Fund	Other Governmental Funds
General Government	$ 10,842	$ -
Public safety	-	698,429
Transportation	-	132,549
Physical environment	-	336,672
Economic environment	-	95,541
Court related	87,866	486,831
Capital outlay	20,051	295,911
Total restricted fund balance	$ 118,759	$ 2,045,933

Fund balance is *assigned* for the following purposes:

	General Fund	EMS Fund	Other Governmental Funds	Total
Public safety	$ -	$ 693,174	$ 10,400	$ 703,574
Transportation	-	-	448,200	448,200
Subsequent year's expenditures	473,860	-	-	473,860
Total assigned fund balance	$ 473,860	$ 693,174	$ 458,600	$ 1,625,634

NOTE 6 – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	October 1, 2016	Additions	Deductions	September 30, 2017
Capital assets not being depreciated:				
Land	$ 1,293,695	$ -	$ -	$ 1,293,695
Construction in progress	574,271	114,553	571,264	117,560
Total capital assets not being depreciated	1,867,966	114,553	571,264	1,411,255
Capital assets being depreciated:				
Buildings	11,920,118	590,804	-	12,510,922
Improvements	3,050,529	-	-	3,050,529
Infrastructure	20,806,667	1,291,773	-	22,098,440
Equipment	12,840,039	671,582	683,494	12,828,127
Total capital assets being depreciated	48,617,353	2,554,159	683,494	50,488,018
Less accumulated depreciation for:				
Buildings	3,704,022	275,197	-	3,979,219
Improvements	660,840	132,003	-	792,843
Infrastructure	8,070,819	1,029,112	-	9,099,931
Equipment	9,978,868	820,871	639,122	10,160,617
Total accumulated depreciation	22,414,549	2,257,183	639,122	24,032,610
Total capital assets being depreciated, net	26,202,804	296,976	44,372	26,455,408
Total capital assets, net	$ 28,070,770	$ 411,529	$ 615,636	$ 27,866,663

NOTE 6 – CHANGES IN CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions as follows:

General government	$ 205,403
Public safety	632,361
Physical environment	70,994
Transportation	1,215,790
Economic environment	41,903
Human services	14,374
Culture/recreation	76,358
Total depreciation expense	$ 2,257,183

NOTE 7 – LONG-TERM LIABILITIES

At September 30, 2017, the County's long-term liabilities consisted of:

Special assessment bonds, series 2008	$ 106,983
Notes payable	1,296,441
Title IVD recapture	50,933
Landfill postclosure care	39,889
Capital lease	186,996
Compensated absences	639,100
Net OPEB obligation	486,278
Net pension liability	11,982,495
Total long-term liabilities	$ 14,789,115

Bonds Payable

Debt service requirements are as follows:

$198,077 - 2008 Special Assessment Bonds for road and ancillary improvements. Due in annual installments varying from $6,881 to $13,794, plus interest (payable annually) at 5.0% beginning April 1, 2009 and through 2027. The bond interest indenture pledges the proceeds of special assessments. The approximate amount of the pledge is equal to the remaining principal and interest of $136,524. Assessments totaling $13,688 were recognized during 2017.	$ 106,983

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Year Ending September 30,	Principal	Interest	Total
2018	$ 9,289	$ 5,359	$ 14,648
2019	9,760	4,894	14,654
2020	10,239	4,407	14,646
2021	10,773	3,895	14,668
2022	11,320	2,562	13,882
2023 - 2027	55,602	8,424	64,026
Total	$ 106,983	$ 29,541	$ 136,524

Notes Payable

The County is obligated under various long-term note agreements at interest rates ranging from approximately 2.0% to 4.9%.

The notes are expected to be repaid from specified revenues/resources as follows:

35% Transportation Trust Fund resources, 21% EMS Fund fees, 12% Solid Waste Fund fees, 15% Fire Districts Fund resources, and 17% General Fund shared revenues and racing tax commissions.

The approximate total amount of the pledges is equal to the remaining principal and interest outstanding.

Debt service requirements are as follows:

Year Ending September 30,	Principal	Interest	Total
2018	$ 337,438	$ 31,445	$ 368,883
2019	321,268	23,069	344,337
2020	213,043	16,100	229,143
2021	106,791	11,207	117,998
2022	75,398	8,674	84,072
2023 - 2027	203,606	21,479	225,085
2028 - 2032	23,439	6,540	29,979
2033 - 2036	15,458	1,627	17,085
Total	$ 1,296,441	$ 120,141	$ 1,416,582

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Capital lease

At September 30, 2017, the County had outstanding capital leases for equipment with interest ranging from 2.8% to 4.7%.

Future lease payments, together with the present value of the minimum lease payments are summarized in the following tabulation:

Year Ending September 30,	Principal	Interest	Total
2018	$ 92,064	$ 5,219	$ 97,283
2019	94,932	2,349	97,281
Total	$ 186,996	$ 7,568	$ 194,564

Landfill Postclosure Care

The Florida Department of Environmental Protection (DEP) requires landfill owners to perform certain maintenance and monitoring functions at the landfill sites for twenty years after closure. The County was previously released by the DEP from these requirements on its Central Landfill which closed in 1993. The County has accrued $39,889 for closure costs for its Materials Recovery facility.

DEP also requires the County to deposit in an escrow account, by the end of each fiscal year, funds sufficient to cover closure costs. The County has set aside approximately $81,823 for that requirement.

Title IV D Recapture

During the fiscal year ended September 30, 2017, the County received notice from the Florida Department of Revenue (the Department) that as result of an audit performed by the Department, it was determined that federal funds claimed using the provisional indirect rate for contract COC21 for fiscal years ended September 30, 2016 and 2017 exceeded the allowable reimbursement amount by $51,462. The County will repay this amount in installments as detailed below. These payments will reduce future claims for the following fiscal years:

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Year Ending September 30,	Principal
2018	$ 4,416
2019	10,726
2020	26,498
2021	9,293
Total	$ 50,933

Changes in Long-Term Liabilities

	Balance October 1, 2016	Additions	Deductions	Balance September 30, 2017	Due Within One Year
Bonds payable	$ 115,824	$ -	$ 8,841	$ 106,983	$ 9,289
Notes payable	1,213,385	506,305	423,249	1,296,441	337,438
Title IVD Recapture	-	51,462	529	50,933	4,416
Landfill postclosure care	39,377	512	-	39,889	-
Capital lease	276,281	-	89,285	186,996	92,064
Compensated absences	546,248	523,900	431,048	639,100	245,500
Net OPEB obligation	486,022	7,839	7,583	486,278	-
Net pension liability	10,340,072	1,642,423	-	11,982,495	58,800
Total	$ 13,017,209	$ 2,732,441	$ 960,535	$ 14,789,115	$ 747,507

NOTE 8 – STATE OF FLORIDA PENSION PLANS

Defined Benefit Plans

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

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

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

Benefits Provided

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

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

NOTE 8 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2017, were as follows:

	FRS	HIS
Regular class	6.26%	1.66%
Special risk class	21.61%	1.66%
Senior management service class	21.05%	1.66%
Elected officials	43.84%	1.66%
DROP from FRS	11.60%	1.66%

The County's contributions for the year ended September 30, 2017, were $862,194 to the FRS Pension Plan and $108,189 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2017, the County reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2017. The County's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability	$ 9,796,664	$ 2,185,831
Proportion at:		
Current measurement date	0.0331%	0.0204%
Prior measurement date	0.0317%	0.0201%
Pension expense (benefit)	$ 1,703,167	$ 159,823

NOTE 8 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 899,100	$ 54,268	$ -	$ 4,551
Changes of assumptions	3,292,370	-	307,253	189,011
Net difference between projected and actual earnings on pension plan investments	-	242,786	1,212	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	665,545	353,736	76,808	106,282
Employer contributions subsequent to the measurement date	240,806	-	28,322	-
Total	$ 5,097,821	$ 650,790	$ 413,595	$ 299,844

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

Year ending September 30,	FRS	HIS
2018	$ 577,745	$ 29,186
2019	1,434,516	29,186
2020	1,002,620	29,186
2021	243,846	19,019
2022	699,790	4,142
Thereafter	247,708	(25,290)
Total	$ 4,206,225	$ 85,429

NOTE 8 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2017. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2017. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2016, rolled-forward using standard actuarial procedures. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.60%	2.60%
Salary increases	3.25%	3.25%
Investment rate of return	7.10%	N/A
Discount rate	7.10%	3.58%

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

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

The following changes in key actuarial assumptions occurred in 2017:

FRS: The long-term expected rate of return and the discount rate used to determine the total pension liability decreased from 7.60% to 7.10%.

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 2.85% to 3.58%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

NOTE 8 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1%	3.0%	3.0%
Fixed income	18%	4.5%	4.4%
Global equity	53%	7.8%	6.6%
Real estate	10%	6.6%	5.9%
Private equity	6%	11.5%	7.8%
Strategic investments	12%	6.1%	5.6%
	100%		

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 7.10%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.58% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

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

	FRS			HIS		
	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Employer's proportionate share of the net pension liability	$ 17,731,368	$ 9,796,664	$ 3,209,040	$ 2,494,323	$ 2,185,831	$ 1,928,875

NOTE 8 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Pension Plans' Fiduciary Net Position

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

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2017, totaled $194,824.

NOTE 9 – OTHER POSTEMPLOYMENT BENEFIT PLAN

Plan Description - The County administers a single employer defined benefit plan for postemployment benefits other than pension benefits (OPEB Plan). The OPEB Plan provides for medical and life insurance for retirees and eligible dependents of the Board of County Commissioners and all Constitutional Officers. The County provides health care coverage through a self-insured plan.

Eligibility - Employees of the Board of County Commissioners and Constitutional Officers are eligible at age 64 and 10 years of service, or 30 years of service, regardless of age, which is normal retirement. Once a retiree waives coverage, he is not eligible to participate in the future. Surviving spouses of deceased retirees cannot keep coverage.

As of October 1, 2017, the date of the latest actuarial valuation, plan participation consisted of 160 active employees and 31 retirees; only 6 retirees receive medical benefits. Of the active employees, 159 are not yet eligible to receive benefits.

A separate stand-alone financial statement is not prepared for the OPEB Plan.

Funding Policy - The contribution requirements of the plan members and the County are established and may be amended by the Gilchrist County Board of County Commissioners. A trust has not been established. Contributions are being made based on pay-as-you-go financing requirements. Beginning in fiscal 2016, retirees pay 100% of the premium, which is the same as the active premium rates, until age 65.

Annual OPEB Cost and Net OPEB Obligation - The annual cost (expense) of the County's OPEB Plan is calculated based on the Annual Required Contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that,

NOTE 9 – OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB Plan cost for the year, the amount actually contributed by the employer, and the changes in the net OPEB obligation.

Annual required contribution	$ 14,657
Interest on net OPEB obligation	19,174
Adjustments to ARC	(25,992)
Annual OPEB cost (expense)	7,839
Contributions made	(7,583)
Increase in net OPEB obligation	256
Net OPEB obligation - beginning of year	486,022
Net OPEB obligation - end of year	$ 486,278

Trend Information:

Year Ended	Annual OPEB Cost	Actual Employer Contribution	Percentage Contributed	Net OPEB Obligation
9/30/2017	$ 7,839	$ 7,583	97%	$ 486,278
9/30/2016	66,322	18,781	28%	486,022
9/30/2015	75,070	78,427	104%	438,481

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

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

NOTE 9 – OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Actuarial cost method	Projected Unit Credit: Open period
Amortization period	20 year paydown with 4% salary scale
Asset valuation method	N/A
Discount rate	4.00%
Projected annual salaries increase	N/A
Inflation rate	N/A
Mortality	1983 Group Annuity Mortality Table
Healthcare cost trend rate	5.5% current year; reduced 0.5% each year until reaching ultimate trend rate of 5.0% in 2017.

Funded Status and Funding Progress - The OPEB contributions made for the 2017 fiscal year were 97% of the annual OPEB cost. As of the actuarial valuation report dated October 1, 2017, the actuarial value of assets was $0, the actuarial accrued liability for benefits was $158,428, the unfunded actuarial accrued liability (UAAL) was also $158,428, the funded ratio was 0%, the covered payroll was $7,130,016, and the UAAL as a percentage of covered payroll was 2%.

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

NOTE 10 – INTERFUND BALANCES/TRANSFERS

At September 30, 2017, interfund balances consisted of:

	Due To			
Due From	General	EMS Fund	Nonmajor Governmental	Total
General fund	$ -	$ 613	$ 5,079	$ 5,692
EMS fund	2,364	-	-	2,364
Nonmajor governmental	101,727	-	-	101,727
Total	$ 104,091	$ 613	$ 5,079	$ 109,783

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

NOTE 10 – INTERFUND BALANCES/TRANSFERS (CONTINUED)

Interfund transfers are summarized below:

	Transfers Out			
Transfers In	General fund	EMS	Nonmajor Governmental	Total
General fund	$ -	$ -	$ 185,632	$ 185,632
Nonmajor Governmental	316,029	38,808	11,037	365,874
Total	$ 316,029	$ 38,808	$ 196,669	$ 551,506

The interfund transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

NOTE 11 – RISK MANAGEMENT

Commercial Insurance

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. There were no significant reductions in insurance coverages from prior years. For the past three years, there have been no insurance settlements significantly in excess of insurance coverages.

Public Entity Risk Pool

The County participates in the Preferred Governmental Insurance Trust self-insurance fund for risk related to workers' compensation, general liability, and auto liability. There have been no settlements exceeding coverages for the past three years.

The Sheriff participates in the Florida Sheriff's self-insurance fund for risk related to professional police liability. There have been no settlements exceeding coverages for the past three years.

For its health insurance, the County joined the Public Risk Management of Florida Insurance Trust (the "Trust"), a public entity risk pool currently operating as a common risk management and insurance program for several member governmental entities. The County pays an annual premium to the Trust for its coverage. The premiums are designed to fund the liability risks assumed by the Trust and are based on certain actual exposures of each member. Contributions also cover excess of loss reinsurance premiums.

NOTE 12 – FUTURE COMMITMENTS AND CONTINGENCIES

The County is sometimes involved in litigation arising from the normal operations of a local government. It is the opinion of management that such litigation will not have a material financial impact on the financial statements of the County.

The County participates in State and Federally assisted grant programs, which may be subject to future program disallowed costs, and compliance audits by the grantors.

The County is party to an agreement for the extraction of limestone from a privately owned mine. The agreement requires the County to perform reclamation of the mine upon termination. The costs of reclamation cannot be estimated and no liability for the reclamation has been accrued in the financial statements.

NOTE 13 – FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued statements that will become effective in 2018. The statements address:

- OPEB—accounting and financial reporting by employers;
- Split-interest agreements;
- Various practice issues (Omnibus); and
- Certain debt extinguishment issues.

Gilchrist County is currently evaluating the effects that these statements will have on its 2018 financial statements.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2017

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
Revenues				
Taxes	$ 6,734,915	$ 6,734,915	$ 6,618,853	$ (116,062)
Licenses, permits and special assessments	145,400	145,400	212,980	67,580
Intergovernmental	11,145,514	11,611,069	7,333,118	(4,277,951)
Charges for services	922,426	1,019,624	1,199,449	179,825
Fines and forfeitures	500	500	100	(400)
Miscellaneous	209,432	393,955	464,395	70,440
Total revenues	19,158,187	19,905,463	15,828,895	(4,076,568)
Expenditures				
Current:				
General government	3,614,514	3,570,023	3,377,596	192,427
Public safety	4,608,900	4,838,644	5,345,057	(506,413)
Physical environment	392,134	392,134	354,648	37,486
Transportation	7,342,203	7,342,203	3,540,149	3,802,054
Economic environment	166,869	166,869	80,515	86,354
Human services	661,387	661,387	642,866	18,521
Culture and recreation	981,859	1,631,882	564,791	1,067,091
Court related	469,079	471,032	274,991	196,041
Reserve for contingencies	265,000	240,000	-	240,000
Debt service:				
Principal retirement	67,093	67,093	147,081	(79,988)
Interest and fiscal charges	4,957	4,957	4,983	(26)
Total expenditures	18,573,995	19,386,224	14,332,677	5,053,547
Excess of revenues over (under) expenditures	584,192	519,239	1,496,218	912,026
Other financing sources (uses)				
Debt issued	-	30,000	-	(30,000)
Transfers in	182,896	185,632	185,632	-
Transfers out	(366,681)	(334,464)	(316,029)	18,435
Total other financing sources (uses)	(183,785)	(118,832)	(130,397)	(11,565)
Net change in fund balances	400,407	400,407	1,365,821	965,414
Fund balances - beginning of year	-	-	6,022,980	6,423,387
Fund balances - end of year	$ 400,407	$ 400,407	$ 7,388,801	$ 7,388,801

Notes to Budgetary Comparison Schedule

The preparation, adoption, and amendment of the budgets are governed by Florida Statutes. The fund is the legal level of control. Budgets are prepared and adopted on a basis that does not differ materially from generally accepted accounting principles (GAAP). Appropriations lapse at year-end.

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – EMS Fund
Year ended September 30, 2017

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
Revenues				
Taxes	$ 673,906	$ 673,906	$ 652,547	$ (21,359)
Intergovernmental	72,558	72,558	64,936	(7,622)
Charges for services	957,000	957,000	1,098,412	141,412
Miscellaneous	490	490	10,847	10,357
Total revenues	1,703,954	1,703,954	1,826,742	122,788
Expenditures				
Current:				
Public safety	1,853,228	1,853,228	1,749,002	104,226
Reserve for contingencies	22,666	22,666	-	22,666
Debt service:				
Principal retirement	93,883	93,883	93,957	(74)
Interest and fiscal charges	6,409	6,409	6,357	52
Total expenditures	1,976,186	1,976,186	1,849,316	126,870
Excess of revenues over (under) expenditures	(272,232)	(272,232)	(22,574)	249,658
Other financing sources (uses)				
Debt issued	175,000	175,000	129,025	(45,975)
Transfers out	-	-	(38,808)	(38,808)
Total other financing sources (uses)	175,000	175,000	90,217	(84,783)
Net change in fund balances	(97,232)	(97,232)	67,643	164,875
Fund balances - beginning of year	97,232	97,232	625,531	528,299
Fund balances - end of year	$ -	$ -	$ 693,174	$ 693,174

Note to Budgetary Comparison Schedule

The preparation, adoption and amendment of the budgets are governed by Florida Statutes. The fund is the legal level of control. Budgets are prepared and adopted on a basis that does not differ materially from generally accepted accounting principles (GAAP). Appropriations lapse at year-end.

Required Supplementary Information
Other Postemployment Benefits
September 30, 2017

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as % of Covered Payroll (B-A)/C
10/1/2013	$ -	$ 611,000	$ 611,000	0%	$ 5,190,600	12%
10/1/2015	-	222,154	222,154	0%	6,290,300	4%
10/1/2017	-	158,428	158,428	0%	7,130,016	2%

Notes:

1. See Note 9 to the financial statements for detailed information on the County's OPEB Plan.

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

Florida Retirement System	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.0331%	0.0317%	0.0314%
Employer's proportionate share of the net pension liability (asset)	$ 9,796,664	$ 7,996,789	$ 4,051,945
Employer's covered-employee payroll (2)	$ 6,243,132	$ 6,178,688	$ 6,277,264
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	156.92%	129.43%	64.55%
Plan fiduciary net position as a percentage of the total pension liability	83.89%	84.88%	92.00%

Health Insurance Subsidy Program	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.0204%	0.0201%	0.0209%
Employer's proportionate share of the net pension liability (asset)	$ 2,185,831	$ 2,343,283	$ 2,132,135
Employer's covered-employee payroll (2)	$ 6,243,132	$ 6,178,688	$ 6,277,264
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	35.01%	37.93%	33.97%
Plan fiduciary net position as a percentage of the total pension liability	1.64%	0.97%	0.50%

Notes to schedules:

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

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

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

Schedules of Employer Contributions
Last 10 Fiscal Years

Florida Retirement System	2017	2016	2015
Contractually required contribution	$ 862,194	$ 810,666	$ 765,613
Contributions in relation to the contractually required contribution	862,194	810,666	765,613
Contribution deficiency (excess)	$ -	$ -	$ -
Employer's covered-employee payroll (1)	$ 6,100,012	$ 6,268,104	$ 6,257,901
Contributions as a percentage of covered-employee payroll	14.13%	12.93%	12.23%

Health Insurance Subsidy Program	2017	2016	2015
Contractually required contribution	$ 108,189	$ 104,227	$ 86,178
Contributions in relation to the contractually required contribution	108,189	104,227	86,178
Contribution deficiency (excess)	$ -	$ -	$ -
Employer's covered-employee payroll (1)	$ 6,100,012	$ 6,268,104	$ 6,257,901
Contributions as a percentage of covered-employee payroll	1.77%	1.66%	1.38%

Notes to schedules:
(1) Covered-employee payroll includes defined benefit plan actives, investment plan members, and members in DROP.

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

Supplementary Information

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2017

	Special Revenue Funds					
	State Law Enforcement Trust	Fire District Trust	Court Facilities Trust	Transportation Trust	Transportation Projects / Impact Fee	State Attorney/ Public Defender
Assets						
Cash and equivalents	$ 7,467	$ 297,169	$ 126,019	$ 410,332	$ 123,964	$ 145,742
Investments	-	81,084	34,793	12,870	-	-
Receivables	-	-	-	-	-	-
Due from other funds	-	436	905	-	-	972
Due from other governments	-	71	-	106,012	-	-
Total assets	$ 7,467	$ 378,760	$ 161,717	$ 529,214	$ 123,964	$ 146,714
Liabilities						
Accounts payable and accrued liabilities	$ -	$ 31,877	$ 158	$ 66,997	$ 704	$ 1,859
Due to other funds	-	163	-	2,889	-	-
Total liabilities	-	32,040	158	69,886	704	1,859
Deferred inflows						
Unavailable revenue	-	71	-	1,839	-	-
Fund balances						
Restricted	7,467	346,649	161,559	9,289	123,260	144,855
Assigned	-	-	-	448,200	-	-
Total fund balances	7,467	346,649	161,559	457,489	123,260	144,855
Total liabilities, deferred inflows and fund balances	$ 7,467	$ 378,760	$ 161,717	$ 529,214	$ 123,964	$ 146,714

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2017

	Special Revenue Funds					
	SHIP	E911	Capital Traffic Surcharge	Solid Waste	Law Enforce-ment Education	Clerk's Fine and Forfeiture Fund
Assets						
Cash and equivalents	$ 95,541	$ 354,756	$ 17,694	$ 117,823	$ 6,367	$ 45,970
Investments	-	23,141	2,240	247,454	-	-
Receivables	-	-	-	1,000	-	-
Due from other funds	-	-	400	412	90	-
Due from other governments	-	18,672	-	3,851	-	60,992
Total assets	$ 95,541	$ 396,569	$ 20,334	$ 370,540	$ 6,457	$ 106,962
Liabilities						
Accounts payable and accrued liabilities	$ -	$ 2,096	$ 21	$ 32,572	$ 7	$ 79,133
Due to other funds	-	85,000	-	1,075	-	-
Total liabilities	-	87,096	21	33,647	7	79,133
Deferred inflows						
Unavailable revenue	-	9,398	-	221	-	-
Fund balances						
Restricted	95,541	300,075	20,313	336,672	6,450	27,829
Assigned	-	-	-	-	-	-
Total fund balances	95,541	300,075	20,313	336,672	6,450	27,829
Total liabilities, deferred inflows and fund balances	$ 95,541	$ 396,569	$ 20,334	$ 370,540	$ 6,457	$ 106,962

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2017

	Special Revenue Funds				
	Public Records Modern-ization	Clerk's Title IV-D Services	Inmate Welfare Fund	Volun-teers Fund	Federal Law Enforce-ment Trust
Assets					
Cash and equivalents	$ 75,926	$ 61,122	$ 23,000	$ 4,876	$ 12,599
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due from other funds	1,864	-	-	-	-
Due from other governments	-	14,597	-	-	-
Total assets	$ 77,790	$ 75,719	$ 23,000	$ 4,876	$ 12,599
Liabilities					
Accounts payable and accrued liabilities	$ -	$ 921	$ -	$ -	$ -
Due to other funds	-	-	12,600	-	-
Total liabilities	-	921	12,600	-	-
Deferred inflows					
Unavailable revenue	-	-	-	-	-
Fund balances					
Restricted	77,790	74,798	-	4,876	12,599
Assigned	-	-	10,400	-	-
Total fund balances	77,790	74,798	10,400	4,876	12,599
Total liabilities, deferred inflows and fund balances	$ 77,790	$ 75,719	$ 23,000	$ 4,876	$ 12,599

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2017

	Capital Projects Funds		
	Capital Projects Fund	Capital Impact Fees	Totals
Assets			
Cash and equivalents	$ 168,324	$ 102,912	$ 2,197,603
Investments	35,280	-	436,862
Receivables	-	-	1,000
Due from other funds	-	-	5,079
Due from other governments	-	-	204,195
Total assets	$ 203,604	$ 102,912	$ 2,844,739
Liabilities			
Accounts payable and accrued liabilities	$ 10,605	$ -	$ 226,950
Due to other funds	-	-	101,727
Total liabilities	10,605	-	328,677
Deferred inflows			
Unavailable revenue	-	-	11,529
Fund balances			
Restricted	192,999	102,912	2,045,933
Assigned	-	-	458,600
Total fund balances	192,999	102,912	2,504,533
Total liabilities, deferred inflows and fund balances	$ 203,604	$ 102,912	$ 2,844,739

(Concluded)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2017

	Special Revenue Funds					
	State Law Enforce-ment Trust	Fire District Trust	Court Facilities Trust	Transportation Trust	Transportation Projects / Impact Fee	State Attorney/ Public Defender
Revenues						
Taxes	$ -	$ -	$ -	$ 466,172	$ -	$ -
Licenses, permits and special assessments	-	582,747	-	29,554	-	-
Intergovernmental	-	906	-	680,692	-	-
Charges for services	-	-	12,445	9,073	-	16,974
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	100	2,642	943	197,854	1,605	738
Total revenues	100	586,295	13,388	1,383,345	1,605	17,712
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	4,500	961,966	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	1,412,045	54,336	-
Economic environment	-	-	-	-	-	-
Court related	-	-	276	-	-	4,981
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	18,629	-	218,053	-	-
Interest and fiscal charges	-	4,569	-	16,440	-	-
Total expenditures	4,500	985,164	276	1,646,538	54,336	4,981
Excess of revenues over (under) expenditures	(4,400)	(398,869)	13,112	(263,193)	(52,731)	12,731
Other financing sources (uses)						
Debt issued	-	377,280	-	-	-	-
Transfers in	-	-	-	316,029	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	377,280	-	316,029	-	-
Net change in fund balances	(4,400)	(21,589)	13,112	52,836	(52,731)	12,731
Fund balances – beginning of year	11,867	368,238	148,447	404,653	175,991	132,124
Fund balances – end of year	$ 7,467	$ 346,649	$ 161,559	$ 457,489	$ 123,260	$ 144,855

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2017

	Special Revenue Funds					
	SHIP	E911	Capital Traffic Surcharge	Solid Waste	Law Enforce-ment Education	Clerk's Fine and Forfeiture Fund
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and special assessments	-	-	-	600,991	-	-
Intergovernmental	350,000	209,737	-	97,861	-	256,751
Charges for services	-	-	5,737	110,430	-	181,729
Fines and forfeitures	-	-	-	-	1,235	2,242
Miscellaneous	37,621	2,018	168	3,542	30	1,201
Total revenues	387,621	211,755	5,905	812,824	1,265	441,923
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	149,117	-	-	-	-
Physical environment	-	-	-	790,280	-	-
Transportation	-	-	-	-	-	-
Economic environment	375,975	-	-	-	-	-
Court related	-	-	-	-	-	448,284
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	10,725	32,930	-	-
Interest and fiscal charges	-	-	1,569	2,981	-	-
Total expenditures	375,975	149,117	12,294	826,191	-	448,284
Excess of revenues over (under) expenditures	11,646	62,638	(6,389)	(13,367)	1,265	(6,361)
Other financing sources (uses)						
Debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	11,037
Transfers out	-	(172,812)	-	-	-	-
Total other financing sources (uses)	-	(172,812)	-	-	-	11,037
Net change in fund balances	11,646	(110,174)	(6,389)	(13,367)	1,265	4,676
Fund balances – beginning of year	83,895	410,249	26,702	350,039	5,185	23,153
Fund balances – end of year	$ 95,541	$ 300,075	$ 20,313	$ 336,672	$ 6,450	$ 27,829

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2017

	Special Revenue Funds				
	Public Records Modern-ization	Clerk's Title IV-D Services	Inmate Welfare Fund	Volun-teers Fund	Federal Law Enforce-ment Trust
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Licenses, permits and special assessments	-	-	-	-	-
Intergovernmental	-	81,172	-	-	-
Charges for services	30,080	-	-	-	-
Fines and forfeitures	5,717	-	-	-	-
Miscellaneous	734	-	18,913	5,695	-
Total revenues	36,531	81,172	18,913	5,695	-
Expenditures					
Current:					
General government	14,044	52,774	-	-	-
Public safety	-	-	24,209	5,865	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Court related	18,914	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	32,958	52,774	24,209	5,865	-
Excess of revenues over (under) expenditures	3,573	28,398	(5,296)	(170)	-
Other financing sources (uses)					
Debt issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(11,037)	(12,820)	-	-	-
Total other financing sources (uses)	(11,037)	(12,820)	-	-	-
Net change in fund balances	(7,464)	15,578	(5,296)	(170)	-
Fund balances – beginning of year	85,254	59,220	15,696	5,046	12,599
Fund balances – end of year	$ 77,790	$ 74,798	$ 10,400	$ 4,876	$ 12,599

(Continued)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2017

	Capital Projects Funds		
	Capital Projects Fund	Capital Impact Fees	Totals
Revenues			
Taxes	$ -	$ -	$ 466,172
Licenses, permits and special assessments	-	-	1,213,292
Intergovernmental	200,000	-	1,877,119
Charges for services	-	-	366,468
Fines and forfeitures	-	-	9,194
Miscellaneous	924	1,083	275,811
Total revenues	200,924	1,083	4,208,056
Expenditures			
Current:			
General government	-	-	66,818
Public safety	-	-	1,145,657
Physical environment	-	-	790,280
Transportation	-	-	1,466,381
Economic environment	-	-	375,975
Court related	-	-	472,455
Capital outlay	20,206	9,100	29,306
Debt service:			
Principal retirement	-	-	280,337
Interest and fiscal charges	-	-	25,559
Total expenditures	20,206	9,100	4,652,768
Excess of revenues over (under) expenditures	180,718	(8,017)	(444,712)
Other financing sources (uses)			
Debt issued	-	-	377,280
Transfers in	38,808	-	365,874
Transfers out	-	-	(196,669)
Total other financing sources (uses)	38,808	-	546,485
Net change in fund balances	219,526	(8,017)	101,773
Fund balances – beginning of year	(26,527)	110,929	2,402,760
Fund balances – end of year	$ 192,999	$ 102,912	$ 2,504,533

(Concluded)

Combining Statement of Fiduciary Net Position
September 30, 2017

	Agency Funds			
	Tax Collector	Clerk of Court	Sheriff	Totals
Assets				
Cash and equivalents	$ 406,983	$ 188,699	$ 21,880	$ 617,562
Receivables	32,911	1,180	-	34,091
Total assets	439,894	189,879	21,880	651,653
Liabilities				
Assets held for others	439,894	189,879	21,880	651,653
Net position	$ -	$ -	$ -	$ -

Schedule of Expenditures of State Financial Assistance
Year ended September 30, 2017

State Financial Assistance	CSFA Number	Contract/Grant Number	Expenditures	Project Total
Executive Office of the Governor				
Emergency Management Preparedness and Assistance Base Grant	31.063	17-BG-83-03-31-01-027	$ 101,113	
Emergency Management Preparedness and Assistance Base Grant	31.063	18-BG-W9-03-31-01-138	10,038	$ 111,151
Hazardous Materials	31.067	16-CP-11-03-31-01-143	1,389	
Department of Environmental Protection				
Small County Consolidated Grants	37.012	SC710	90,909	
Department of Management Services				
E-911 Rural County Grant Program	72.001	16-10-09	11,745	
E-911 Rural County Grant Program	72.001	16-04-08	37,388	49,133
Division of State, Secretary of State				
Public Library Construction Program	45.020	15-PLC-03	25,000	
State Aid to Libraries	45.030	15-ST-89	36,830	
Florida Housing Finance Corporation				
State Housing Initiatives Partnership	40.901	N/A	375,975	
Department of Transportation				
Small County Outreach Program (CR 341)	55.009	433029-1-54-01	2,107,967	
Small County Outreach Program (CR 340 and CR232)	55.009	437568-1-54-01	108,526	
Small County Outreach Program (NE 2nd Way)	55.009		26,040	
Small County Road Assistance Program (SE 70th)	55.009	435326-1-54-01	57,470	
Small County Ourtreach Program (Santa Fe Park Loop)	55.009	433533-1-54,58-01	18,900	
Small County Ourtreach Program (SW 10th Street)	55.009	432776-1-54-01	1,221,245	3,540,148
Total expenditures of state financial assistance			$ 4,230,535	

NOTE 1 - BASIS OF PRESENTATION

Expenditures generally represent allowable costs, determined in accordance with generally accepted accounting principles, using the modified accrual basis.

NOTE 2 - SUBRECIPIENTS

The County did not provide state awards to subrecipients.

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable County Commissioners
Gilchrist County, Florida

We have audited the financial statements of Gilchrist County, Florida (the "County") as of and for the year ended September 30, 2017, and have issued our report thereon dated October 29, 2018.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Florida Single Audit Act. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

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

Financial Condition

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

Also, as required by the Rules of the Auditor General, we applied financial condition assessment procedures, as of the end of the fiscal year, pursuant to Rule 10.556(8). It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by management. The application of such procedures did not reveal evidence of "deteriorating financial condition" as that term is defined in Rule 10.554.

Annual Financial Report

As required by the Rules of the Auditor General, we determined that the annual financial report for the County for the fiscal year ended September 30, 2017, filed with the Department of Financial Services pursuant to Section 218.32, Florida Statutes, is in substantial agreement with the audit report for the fiscal year ended September 30, 2017.

Other Matters

The Rules of the Auditor General stipulate that we, in this management letter, make any recommendations to improve financial management. In that regard, we did not identify any conditions that are required to be included in the Schedule of Findings and Questioned Costs.

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

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

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

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

Gainesville, Florida
October 29, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable County Commissioners
Gilchrist County, Florida

We have examined Gilchrist County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements 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 County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, 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 County's compliance with the specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2017.

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

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

Gainesville Florida
October 29, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable County Commissioners
Gilchrist County, Florida

We have examined Gilchrist County, Florida's (the "County") compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds,* during the year ended September 30, 2017. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements 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 County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, 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 County's compliance with the specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2017.

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

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

Gainesville, Florida
October 29, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable County Commissioners
Gilchrist 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, each major fund, and the aggregate remaining fund information of Gilchrist County, Florida (the "County"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated October 29, 2018.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free 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*.

We did note other matters that we have reported in separately-issued reports for the County's constitutional officers.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Gainesville, Florida
October 29, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable County Commissioners
Gilchrist, Florida

Report on Compliance for Each Major State Project

We have audited the compliance of Gilchrist County, Florida (the "County") with the types of compliance requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of the County's major state projects for the year ended September 30, 2017. The County's major state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major state projects 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 Auditor General. Those standards and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2017.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major state project to determine the audit 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 Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

Gainesville, Florida
October 29, 2018

Schedule of Findings and Questioned Costs
Year ended September 30, 2017

PART I – SUMMARY OF AUDITOR'S RESULTS

(i) The independent auditor's report on the financial statements expressed unmodified opinions.

(ii) The audit did not report significant deficiencies or material weaknesses in internal control.

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

(iv) The audit did not report significant deficiencies or material weaknesses in internal control over the major state projects.

(v) The report on compliance with requirements applicable to the major state projects expressed an unmodified opinion.

(vi) The audit did not disclose findings relative to the major state projects.

(vii) The County's major projects were:

State Projects	CFSA Number
Public Library Construction Program	45.020
Small County Outreach Program	55.009

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

PART II – FINANCIAL STATEMENT FINDINGS

None noted.

PART III – FINDINGS AND QUESTIONED COSTS – STATE PROJECTS

None noted.

PART IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There are no unresolved prior audit findings.

Gilchrist County Board of County Commissioners
P.O. Box 37
112 South Main Street
Trenton, FL 32693
Phone: 352-463-4605 Fax: 352-463-4050

District I	District II	District III	District IV	District V
Sharon A. Langford	D. Ray Harrison, Jr.	Todd Gray	Marion Poitevint	Kenrick Thomas

David "Duke" Lang, Jr.
County Attorney
352-463-7800

Bobby Crosby
County Administrator
352-463-3198

Todd Newton
Clerk of Court
325-463-3170

October 29, 2018

The Honorable Sherrill F. Norman
Auditor General's Office
PO Box 1735
Tallahassee, FL 32302

Dear Ms. Norman,

I have received the audit report on the Gilchrist County Board of County Commissioners for the year ended September 30, 2017. I am pleased to note that the audit has no findings which require corrective action.

Please advise if you have any questions.

Sincerely,

Todd Newton

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County

Gilchrist County
Clerk of the Circuit Court

Audit Report

September 30, 2017

Table of Contents
September 30, 2017

REPORT
Independent Auditor's Report 1

SPECIAL PURPOSE FINANCIAL STATEMENTS
Governmental Funds:

Balance Sheet 4

Statement of Revenues, Expenditures and Changes in Fund Balances 5

Fiduciary Funds:

Statement of Fiduciary Net Position 6

Notes to Financial Statements 7

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 11

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Records Modernization Trust Fund 12

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Fine and Forfeiture Fund 13

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Title IV D Fund 14

SUPPLEMENTARY INFORMATION
Combining Statement of Fiduciary Net Position – Agency Funds 15

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL
Management Letter 16

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* 18

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes 20

Table of Contents
September 30, 2017

Independent Accountant's Report on Compliance with Sections 28.35 and 28.36, Florida Statutes 21

Independent Accountant's Report on Compliance with Section 61.181, Florida Statutes 22

Elected Official's Response to Auditor's Comments --

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Gilchrist County Clerk of the Circuit Court (the "Office") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2017, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2018, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Gainesville, Florida
October 22, 2018

Balance Sheet – Governmental Funds
September 30, 2017

	General Fund	Records Modernization Trust Fund	Fine and Forfeiture Fund	Title IV D Fund	Total Governmental Funds
Assets					
Cash and equivalents	$ 108,706	$ 75,926	$ 45,970	$ 61,122	$ 291,724
Due from other funds	417	1,864	-	-	2,281
Due from other governments	-	-	60,992	14,597	75,589
Total assets	$ 109,123	$ 77,790	$ 106,962	$ 75,719	$ 369,594
Liabilities and fund balances					
Liabilities:					
Accounts payable and accrued liabilities	$ 31,551	$ -	$ 79,133	$ 921	$ 111,605
Due to other county agencies	77,572	-	-	-	77,572
Total liabilities	109,123	-	79,133	921	189,177
Fund balances:					
Restricted	-	77,790	27,829	74,798	180,417
Total liabilities and fund balances	$ 109,123	$ 77,790	$ 106,962	$ 75,719	$ 369,594

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2017

	General Fund	Records Modernization Trust Fund	Fine and Forfeiture Fund	Title IV D Fund	Total Governmental Funds
Revenues					
Intergovernmental revenues	$ -	$ -	$ 294,294	$ 81,172	$ 375,466
Charges for services	136,365	30,080	175,251	-	341,696
Fines and forfeitures	-	5,717	2,242	-	7,959
Miscellaneous revenue	32,965	734	1,201	-	34,900
Total revenues	169,330	36,531	472,988	81,172	760,021
Expenditures					
Current:					
General government services	434,958	14,044	-	52,774	501,776
Court related	-	18,914	448,284	-	467,198
Total expenditures	434,958	32,958	448,284	52,774	968,974
Excess of revenues over (under) expenditures	(265,628)	3,573	24,704	28,398	(208,953)
Other financing sources (uses)					
Appropriations from board of county commissioners	330,380	-	-	-	330,380
Transfers in	12,820	-	11,037	-	23,857
Transfers out	-	(11,037)	-	(12,820)	(23,857)
Reversion to board of county commissioners	(77,572)	-	-	-	(77,572)
Reversion to clerks of court operations corporation	-	-	(31,065)	-	(31,065)
Total other financing sources (uses)	265,628	(11,037)	(20,028)	(12,820)	221,743
Net change in fund balances	-	(7,464)	4,676	15,578	12,790
Fund balances – beginning of year	-	85,254	23,153	59,220	167,627
Fund balances – end of year	$ -	$ 77,790	$ 27,829	$ 74,798	$ 180,417

See accompanying notes.

Statement of Fiduciary Net Position
September 30, 2017

	Agency Funds
Assets	
Cash and equivalents	$ 195,977
Receivables	1,180
Total assets	197,157
Liabilities	
Due to other funds	2,281
Due to other county agencies	4,997
Assets held for others	189,879
Total liabilities	197,157
Net position	$ -

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

Basis of Presentation

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

Fund Accounting

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

The Office reports the following major governmental funds:

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

Records Modernization Trust Fund – This fund is used to account for fees collected and associated expenditures related to the upgrade and modernization of the official records of the County, court-related technology, and court-related program enhancements

Fine and Forfeiture Fund – This fund is used to account for court-related activities funded by general appropriations from the State and court-related fees.

Title IV D Fund – This fund is used to account for the expenditures associated with administering Title IV D cases and associated federal reimbursement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Office also reports the following fiduciary funds:

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

Fund Balance

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

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

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

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

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

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

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

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

Measurement Focus/Basis of Accounting

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

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

Capital Assets and Long-Term Liabilities

Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long–term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Cash and Equivalents

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

Use of Estimates

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

NOTE 2 –FUND BALANCE CLASSIFICATIONS

Balances of reported fund balance at September 30, 2017, are as follows:

	Records Modernization Trust Fund	Fine and Forfeiture Fund	Title IV D Fund	Total
Restricted for:				
Court operations	$ 9,538	$ 27,829	$ -	$ 37,367
Court technology	56,271	-	-	56,271
Records modernization	11,981	-	-	11,981
Title IV D	-	-	74,798	74,798
Total fund balances	$ 77,790	$ 27,829	$ 74,798	$ 180,417

NOTE 3 – INTERFUND BALANCES

At September 30, 2017, interfund balances consisted of:

	Due from Other Funds	Due to Other Funds
General fund	$ 417	$ -
Records modernization trust	1,864	-
Agency funds:		
Domestic relations	-	417
General trust	-	1,864
Totals	$ 2,281	$ 2,281

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year Ended September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Charges for services	$ 118,440	$ 118,440	$ 136,365	$ 17,925
Miscellaneous revenue	10,220	10,220	32,965	22,745
Total revenues	128,660	128,660	169,330	40,670
Expenditures				
Current:				
General government services	471,860	471,860	434,958	36,902
Excess of revenues over (under) expenditures	(343,200)	(343,200)	(256,628)	77,572
Other financing sources (uses)				
Appropriation from board of county commissioners	330,380	330,380	330,380	-
Transfers in	12,820	12,820	12,820	-
Reversion to board of county commissioners	-	-	(77,572)	(77,572)
Total other financing sources (uses)	343,200	343,200	265,628	(77,572)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ -	$ -

Notes to Schedule:

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

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Records Modernization Trust Fund
Year Ended September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Charges for services	$ 27,900	$ 27,900	$ 30,080	$ 2,180
Fines and forfeitures	9,500	9,500	5,717	(3,783)
Miscellaneous revenue	350	350	734	384
Total revenues	37,750	37,750	36,531	(1,219)
Expenditures				
Current:				
General government services	35,600	35,600	14,044	21,556
Court related	74,750	74,750	18,914	55,836
Total expenditures	110,350	110,350	32,958	77,392
Excess of revenues over (under) expenditures	(72,600)	(72,600)	3,573	76,173
Other financing sources (uses)				
Transfers out	(15,600)	(15,600)	(11,037)	4,563
Net change in fund balances	(88,200)	(88,200)	(7,464)	80,736
Fund balances - beginning of year	88,200	88,200	85,254	(2,946)
Fund balances - end of year	$ -	$ -	$ 77,790	$ 77,790

Notes to Schedule:

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

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Fine and Forfeiture Fund
Year Ended September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental revenues	$ 304,045	$ 304,045	$ 294,294	$ (9,751)
Charges for services	178,855	178,855	175,251	(3,604)
Fines and forfeitures	-	-	2,242	2,242
Miscellaneous revenue	1,020	1,020	1,201	181
Total revenues	483,920	483,920	472,988	(10,932)
Expenditures				
Current:				
Court related	496,920	496,920	448,284	48,636
Reserve for contingencies	4,154	4,154	-	4,154
Total expenditures	501,074	501,074	448,284	52,790
Excess of revenues over (under) expenditures	(17,154)	(17,154)	24,704	41,858
Other financing sources (uses)				
Transfers in	17,154	17,154	11,037	(6,117)
Reversion to clerk of court operations corporation	-	-	(31,065)	(31,065)
Total other financing sources (uses)	17,154	17,154	(20,028)	(37,182)
Net change in fund balances	-	-	4,676	4,676
Fund balances - beginning of year	23,153	23,153	23,153	-
Fund balances - end of year	$ 23,153	$ 23,153	$ 27,829	$ 4,676

Notes to Schedule:

Pursuant to Section 28.36, Florida Statutes, the budget is subject to the General Appropriations Act of the Florida Legislature through September 30, 2017, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The State of Florida releases this appropriation on a monthly basis. The fund is the legal level of control.

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Title IV D Fund
Year Ended September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental revenues	$ 88,000	$ 88,000	$ 81,172	$ (6,828)
Expenditures				
Current:				
General government services	74,500	74,500	52,774	21,726
Reserve for contingencies	59,900	59,900	-	59,900
Total expenditures	134,400	134,400	52,774	81,626
Excess of revenues over (under) expenditures	(46,400)	(46,400)	28,398	74,798
Other financing sources (uses)				
Transfers out	(12,820)	(12,820)	(12,820)	-
Net change in fund balances	(59,220)	(59,220)	15,578	74,798
Fund balances - beginning of year	59,220	59,220	59,220	-
Fund balances - end of year	$ -	$ -	$ 74,798	$ 74,798

Notes to Schedule:

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

Gilchrist County Clerk of the Circuit Court

Combining Statement of Fiduciary Net Position
Agency Funds
September 30, 2017

	Domestic Relations Fund	Registry of the Court	General Trust Fund	Total Agency Funds
Assets				
Cash and equivalents	$ 547	$ 17,781	$ 177,649	$ 195,977
Receivables	-	-	1,180	1,180
Total assets	547	17,781	178,829	197,157
Liabilities				
Due to other funds	417	-	1,864	2,281
Due to other county agencies	-	-	4,997	4,997
Assets held for others	130	17,781	171,968	189,879
Total liabilities	547	17,781	178,829	197,157
Net position	$ -	$ -	$ -	$ -

Supplementary Information

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County, Florida

We have audited the financial statements of the office of the Gilchrist County Clerk of the Circuit Court (the "Office"), Gilchrist County, Florida, as of and for the year ended September 30, 2017, and have issued our report thereon dated October 22, 2018. That report should be considered in conjunction with this management letter.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Accountant's Reports on examinations conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated October 22, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Gilchrist County Clerk of the Circuit Court, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

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

Gainesville, Florida
October 22, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Gilchrist County Clerk of Circuit Court (the "Office"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated October 22, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Gainesville, Florida
October 22, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County, Florida

We have examined the office of the Gilchrist County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements 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 Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office 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 Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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

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

Gainesville, Florida
October 22, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County, Florida

We have examined the office of the Gilchrist County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2017. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements 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 Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office 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 Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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

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

Gainesville, Florida
October 22, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County, Florida

We have examined the office of the Gilchrist County Clerk of the Circuit Court's (the "Office") compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, during the year ended September 30, 2017. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements 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 Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office 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 Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

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

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

Gainesville, Florida
October 22, 2018

Elected Official's Response

Office of Clerk
Of the Circuit Court

P.O.BOX 37, TRENTON, FLORIDA 32693
(352)463-3170
Fax: (352)463-3166

Todd Newton
Clerk

CLERK OF THE CIRCUIT COURT
COUNTY COURT
BOARD OF COUNTY COMMISSIONERS

October 22, 2018

The Honorable Sherrill F. Norman
Auditor General's Office
PO Box 1735
Tallahassee, FL 32302

Dear Ms. Norman,

I have received the audit report on the Gilchrist County Clerk of Courts office for the year ended September 30, 2017. I am pleased to note that the audit has no findings which require corrective action.

Please advise if you have any questions.

Sincerely,

Todd Newton

The Honorable Todd Newton
Clerk of the Circuit Court
Gilchrist County

Gilchrist County Sheriff

Audit Report

September 30, 2017

Table of Contents
September 30, 2017

REPORT
Independent Auditor's Report 1

SPECIAL PURPOSE FINANCIAL STATEMENTS
Governmental Funds:

Balance Sheet 4

Statement of Revenues, Expenditures and Changes in Fund Balances 5

Fiduciary Funds:

Statement of Fiduciary Net Position 6

Notes to Financial Statements 7

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 11

SUPPLEMENTARY INFORMATION
Combining Balance Sheet – Nonmajor Governmental Funds 12

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds 13

Combining Statement of Fiduciary Net Position – Agency Funds 14

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL
Management Letter 15

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* 16

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes 18

Schedule of Findings 19

Elected Official's Response to Auditor's Comments --

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Robert D. Schultz, III
Sheriff
Gilchrist County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the office of the Gilchrist County Sheriff (the "Office") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Office as of September 30, 2017, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2018, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Gainesville, Florida
October 16, 2018

Balance Sheet – Governmental Funds
September 30, 2017

	General Fund	Other Govern-mental Funds	Total Govern-mental Funds
Assets			
Cash and equivalents	$ 249,770	$ 40,475	$ 290,245
Due from other agencies	28,890	-	28,890
Due from other funds	12,600	-	12,600
Total assets	$ 291,260	$ 40,475	$ 331,735
Liabilities and fund balances			
Liabilities:			
Accounts payable and accrued liabilities	$ 249,398	$ -	$ 249,398
Due to other funds	-	12,600	12,600
Due to other county agencies	41,862	-	41,862
Total liabilities	291,260	12,600	303,860
Fund balances:			
Restricted:			
Charitable purposes	-	4,876	4,876
Federal shared funds	-	12,599	12,599
Assigned:			
Inmate benefits	-	10,400	10,400
Total fund balances	-	27,875	27,875
Total liabilities and fund balances	$ 291,260	$ 40,475	$ 331,735

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2017

	General Fund	Other Govern-mental Funds	Total Govern-mental Funds
Revenues			
Miscellaneous revenue	$ 9,964	$ 24,608	$ 34,572
Expenditures			
Current:			
Public safety	3,915,136	30,074	3,945,210
Court related	201,325	-	201,325
Debt service:			
Principal	78,559		78,559
Interest	6,429		6,429
Total expenditures	4,201,449	30,074	4,231,523
Excess of revenues over (under) expenditures	(4,191,485)	(5,466)	(4,196,951)
Other financing sources (uses)			
Appropriation from board of county commissioners	4,197,037	-	4,197,037
Reversion to board of county commissioners	(5,552)	-	(5,552)
Total other financing sources (uses)	4,191,485	-	4,191,485
Net change in fund balances	-	(5,466)	(5,466)
Fund balances - beginning of year	-	33,341	33,341
Fund balances - end of year	$ -	$ 27,875	$ 27,875

See accompanying notes.

Statement of Fiduciary Net Position
September 30, 2017

	Agency Funds
Assets	
Cash and equivalents	$ 28,077
Liabilities	
Assets held for others	21,880
Due to other county agencies	6,197
Total liabilities	28,077
Net position	$ -

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

Basis of Presentation

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

Fund Accounting

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

The Office reports the following major governmental fund:

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

The Office also reports the following fiduciary funds:

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

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

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

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

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

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

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

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

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

Measurement Focus/Basis of Accounting

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Cash and Equivalents

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

Capital Assets and Long-Term Liabilities

Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Use of Estimates

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

NOTE 2 – INTERFUND BALANCES

The following interfund balances arose during the normal course of operations of the Office.

	Due from Other Funds	Due to Other Funds
Major governmental:		
General fund	$ 12,600	$ -
Nonmajor governmental:		
Inmate welfare fund	-	12,600
Total	$ 12,600	$ 12,600

NOTE 3 – CONTINGENCIES

The Office is sometimes a party to lawsuits and claims arising out of the normal conduct of its activities. While the results of lawsuits or other proceedings against the Office cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the financial condition of the Office.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Miscellaneous revenue	$ -	$ 9,964	$ 9,964	$ -
Expenditures				
Current:				
Public safety	3,669,919	4,000,124	4,000,124	-
Court related	244,870	201,877	201,325	552
Reserve for contingencies	5,000	5,000	-	5,000
Total expenditures	3,919,789	4,207,001	4,201,449	5,552
Excess of revenues over (under) expenditures	(3,919,789)	(4,197,037)	(4,191,485)	5,552
Other financing sources (uses)				
Appropriation from board of county commissioners	3,919,789	4,197,037	4,197,037	-
Reversion to board of county commissioners	-	-	(5,552)	(5,552)
Total other financing sources (uses)	3,919,789	4,197,037	4,191,485	(5,552)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ -	$ -

Note to Schedule:

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

Supplementary Information

Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2017

	Volunteers	FLETF Fund	Inmate Welfare Fund	Total Nonmajor Governmental Funds
Assets				
Cash and equivalents	$ 4,876	$ 12,599	$ 23,000	$ 40,475
Liabilities				
Due to other funds	-	-	12,600	12,600
Fund balances				
Restricted:				
Charitable purposes	4,876	-	-	4,876
Federal shared funds	-	12,599	-	12,599
Assigned:				
Inmate benefits	-	-	10,400	10,400
Total fund balances	4,876	12,599	10,400	27,875
Total liabilities and fund balances	$ 4,876	$ 12,599	$ 23,000	$ 40,475

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended September 30, 2017

	Volunteers	FLETF Fund	Inmate Welfare Fund	Total Nonmajor Governmental Funds
Revenues				
Miscellaneous revenue	$ 5,695	$ -	$ 18,913	$ 24,608
Expenditures				
Current:				
Public safety	5,865	-	24,209	30,074
Excess of revenues over (under) expenditures	(170)	-	(5,296)	(5,466)
Fund balances - beginning of year	5,046	12,599	15,696	33,341
Fund balances - end of year	$ 4,876	$ 12,599	$ 10,400	$ 27,875

Combining Statement of Fiduciary Net Position
Agency Funds
September 30, 2017

	Inmate Trust Fund	Bonds and Fines Fund	Individual and Suspense Fund	Evidence Trust Fund	Total Agency Funds
Assets					
Cash and equivalents	$ 17,542	$ 3,700	$ 2,398	$ 4,437	$ 28,077
Liabilities					
Assets held for others	13,182	3,700	561	4,437	21,880
Due to other county agencies	4,360	-	1,837	-	6,197
Total liabilities	17,542	3,700	2,398	4,437	28,077
Net position	$ -	$ -	$ -	$ -	$ -

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Robert D. Schultz, III
Sheriff
Gilchrist County, Florida

We have audited the financial statements of the office of the Gilchrist County Sheriff (the "Office"), as of and for the year ended September 30, 2017, and have issued our report thereon dated October 16, 2018. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. These requirements of the Rules of the Auditor General are addressed in the schedule of findings that accompanies this letter.

Other Matters

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

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

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

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

Gainesville, Florida
October 16, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Robert D. Schultz, III
Sheriff
Gilchrist County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the major fund and the aggregate remaining fund information of the office of the Gilchrist County Sheriff (the "Office"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated October 16, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We consider the deficiency described in the accompanying Schedule of Findings as item 2017-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

The Office's Response to Finding

The Office's response to the finding identified in our audit is described in its accompanying letter of response. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Gainesville, Florida
October 16, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Robert D. Schultz, III
Sheriff
Gilchrist County, Florida

We have examined the office of the Gilchrist County Sheriff (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, 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 legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017.

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

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

Gainesville, Florida
October 16, 2018

Schedule of Findings

2017-001 (Reported in previous audit reports as items 2016-001 and 2015-001)

Condition – There were insufficient internal controls over the cash receipting and disbursement processes with one individual performing all aspects of certain transactions. The financial records are updated and maintained by one person with no review performed.

Criteria – The internal control environment should include appropriate segregation of duties along with policies and procedures to prevent and detect errors to the accounting records and a means to correct them in a timely manner. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction.

Cause of Condition – Limited number of personnel in the Finance department.

Potential Effect of Condition – Risk of misappropriation of assets or misstatements of financial information is elevated.

Recommendation – We recommend that whenever possible, duties should be segregated so that receipting and disbursements by one employee are reviewed by an employee separate from that function, with that review being documented. Cash collections and disbursements should be documented with formal procedures and those procedures should be followed consistently.

Gilchrist County Sheriff's Office
Sheriff Robert D. Schultz, III
9239 South US Highway 129
Trenton, FL 32693

www.gilcso.org

October 22, 2018

Sherrill F. Norman, CPA
State of Florida Auditor General's Office
Claude Pepper Building
111 West Madison Street
Tallahassee, Fl 32399-1450

RE: Written Explanation or Rebuttal
Gilchrist County Sheriff's Office Audit Report Ending Sept. 30, 2017

To Whom It May Concern:

Please accept this letter of written explanation regarding the schedule of findings. I have been informed of our Auditor's findings and the recommendations that they have outlined in their annual audit report.

I understand that the auditors have met with my staff in regard to the findings as noted. I will take the appropriate steps to change the procedures to resolve these findings:

2017-001 With our limited staff this is not always possible. We have taken steps to improve our controls relative to the financial reporting process. As of January 2018 we hired a Finance Assistant to help segregate fiscal responsibility.

2017-002 We have priced several more advance Financial Accounting software. We have found them to be very expensive. Due to budget restraints we cannot afford at this time.

I appreciate the manner in which the auditors conducted the audit and feel that they were helpful, courteous and professional.

Sincerely,

Robert D. Schultz, III, Sheriff

Gilchrist County Tax Collector

Audit Report

September 30, 2017

Table of Contents
September 30, 2017

REPORT
Independent Auditor's Report 1

SPECIAL PURPOSE FINANCIAL STATEMENTS
Governmental Funds:

Balance Sheet 3

Statement of Revenues, Expenditures and Changes in Fund Balance 4

Fiduciary Funds:

Statement of Fiduciary Net Position 5

Notes to Financial Statements 6

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 9

SUPPLEMENTARY INFORMATION
Combining Statement of Fiduciary Net Position – Agency Funds 10

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL
Management Letter 11

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* 12

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes 14

Elected Official's Response to Auditor's Comments 15

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Barbara Merritt
Tax Collector
Gilchrist County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the office of the Gilchrist County Tax Collector (the "Office") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Office as of September 30, 2017, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2018, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Gainesville, Florida
October 17, 2018

Balance Sheet – Governmental Funds
September 30, 2017

	General Fund
Assets	
Cash and equivalents	$ 3,726
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	$ 3,028
Due to other county agencies	698
Total liabilities	3,726
Fund balance	-
Total liabilities and fund balance	$ 3,726

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2017

	General Fund
Revenues	
Miscellaneous revenue	$ 387
Expenditures	
Current:	
General government services	519,464
Excess of revenues under expenditures	(519,077)
Other financing sources (uses)	
Appropriation from board of county commissioners	519,775
Reversion to board of county commissioners	(698)
Total other financing sources (uses)	519,077
Net change in fund balance	-
Fund balance – October 1, 2016	-
Fund balance – September 30, 2017	$ -

See accompanying notes.

Gilchrist County Tax Collector

Statement of Fiduciary Net Position
September 30, 2017

	Agency Funds
Assets	
Cash and equivalents	$ 429,885
Accounts receivable	32,911
Total assets	462,796
Liabilities	
Assets held for others	407,317
Due to other county agencies	22,902
Due to other governments	32,577
Total liabilities	462,796
Net position	$ -

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

The Office is an integral part of Gilchrist County (the "County"), which is the primary government for financial reporting purposes.

Basis of Presentation

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

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no nonmajor governmental funds.

The Office reports the following major governmental fund:

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

The Office also reports the following fiduciary funds:

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

Fund Balance

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

Measurement Focus/Basis of Accounting

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Cash and Equivalents

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

Capital Assets and Long-Term Liabilities

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

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

Use of Estimates

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

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Miscellaneous revenue	$ -	$ -	$ 387	$ 387
Expenditures				
Current:				
General government services	519,775	519,775	519,464	311
Excess of revenues over (under) expenditures	(519,775)	(519,775)	(519,077)	698
Other financing sources (uses)				
Appropriation from board of county commissioners	519,775	519,775	519,775	-
Reversion to board of county commissioners	-	-	(698)	(698)
Total other financing sources (uses)	519,775	519,775	519,077	(698)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2016	-	-	-	-
Fund balances - September 30, 2017	$ -	$ -	$ -	$ -

Notes to Schedule:

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

Supplementary Information

Combining Statement of Fiduciary Net Position
Agency Funds
September 30, 2017

	Tag Fund	Trust Fund	Tax Fund	Total
Assets				
Cash and equivalents	$ 49,144	$ 29,026	$ 351,715	$ 429,885
Accounts receivable	30,082	-	2,829	32,911
Total assets	79,226	29,026	354,544	462,796
Liabilities				
Assets held for others	34,200	29,026	344,091	407,317
Due to other county agencies	15,278	-	7,624	22,902
Due to other governments	29,748	-	2,829	32,577
Total liabilities	79,226	29,026	354,544	462,796
Net position	$ -	$ -	$ -	$ -

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Barbara Merritt
Tax Collector
Gilchrist County, Florida

We have audited the financial statements of the office of the Gilchrist County Tax Collector (the "Office"), as of and for the year ended September 30, 2017, and have issued our report thereon dated October 17, 2018. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

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

Other Matters

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

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

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

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

Gainesville, Florida
October 17, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Barbara Merritt
Tax Collector
Gilchrist County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the major fund and the aggregate remaining fund information of the office of the Gilchrist County Tax Collector (the "Office"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated October 17, 2018

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Gainesville, Florida
October 17, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Barbara Merritt
Tax Collector
Gilchrist County, Florida

We have examined the office of the Gilchrist County Tax Collector's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, 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 legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017.

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

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

Gainesville, Florida
October 17, 2018

Barbara Merritt, Tax Collector

P.O. Box 194 • 112 South Main St. • Trenton, Florida 32693
(352) 463-3178 • (352) 463-3177 Fax

October 17, 2018

Sherrill F. Norman
Auditor General's Office
111 West Madison St
Tallahassee FL 32399-1450

RE: 2017 Tax Collector Audit

To Whom It May Concern:

We are pleased to accept the Audit ending September 30, 2017 with no findings.

Please feel free to contact us with any questions.

Sincerely,

Barbara Merritt
Tax Collector
Gilchrist County

BJM/pcp

Gilchrist County
Property Appraiser

Audit Report

September 30, 2017

Table of Contents
September 30, 2017

REPORTS
Independent Auditor's Report 1

SPECIAL PURPOSE FINANCIAL STATEMENTS
Governmental Funds:

Balance Sheet 3

Statement of Revenues, Expenditures and Changes in Fund Balance 4

Notes to Financial Statements 5

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 8

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL
Management Letter 9

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* 10

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes 12

Elected Official's Response to Auditor's Comments --

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Damon Leggett
Property Appraiser
Gilchrist County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the office of the Gilchrist County Property Appraiser (the "Office") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Office as of September 30, 2017, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2018 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Gainesville, Florida
October 18, 2018

Balance Sheet – Governmental Funds
September 30, 2017

	General Fund
Assets	
Cash and equivalents	$ 81,355
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	$ 1,767
Due to other county agencies	79,588
Total liabilities	81,355
Fund balance	-
Total liabilities and fund balance	$ 81,355

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2017

	General Fund
Revenues	
Charges for services	$ 19,561
Miscellaneous	77
Total revenues	19,638
Expenditures	
Current:	
General government services	539,566
Excess of revenues under expenditures	(519,928)
Other financing sources (uses)	
Appropriation from board of county commissioners	599,516
Reversion to board of county commissioners	(79,588)
Total other financing sources (uses)	519,928
Net change in fund balance	-
Fund balance - beginning of year	-
Fund balance - end of year	$ -

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

Basis of Presentation

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

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no nonmajor governmental funds.

The Office reports the following major governmental fund:

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

Fund Balance

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

Measurement Focus/Basis of Accounting

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Capital Assets and Long-Term Liabilities

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

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

Cash and Equivalents

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

Use of Estimates

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

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Charges for services	$ 13,087	$ 13,091	$ 19,561	$ 6,470
Miscellaneous	-	-	77	77
Total revenues	13,087	13,091	19,638	6,547
Expenditures				
Current:				
General government services	602,398	602,607	539,566	63,041
Reserve for contingencies	10,000	10,000	-	10,000
Total expenditures	612,398	612,607	539,566	73,041
Excess of revenues over (under) expenditures	(599,311)	(599,516)	(519,928)	79,588
Other financing sources (uses)				
Appropriation from board of county commissioners	599,311	599,516	599,516	-
Reversion to board of county commissioners	-	-	(79,588)	(79,588)
Total other financing sources (uses)	599,311	599,516	519,928	(79,588)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ -	$ -

Notes to Schedule:

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

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Damon Leggett
Property Appraiser
Gilchrist County, Florida

We have audited the financial statements of the office of the Gilchrist County Property Appraiser (the "Office"), as of and for the year ended September 30, 2017, and have issued our report thereon dated October 18, 2018. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

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

Other Matters

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

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

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

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

Gainesville, Florida
October 18, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Damon Leggett
Property Appraiser
Gilchrist County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the office of the Gilchrist County Property Appraiser (the "Office"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated October 9, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Gainesville, Florida
October 18, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Damon Leggett
Property Appraiser
Gilchrist County, Florida

We have examined the office of the Gilchrist County Property Appraiser's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, 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 legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, during the year ended September 30, 2017.
This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

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

Gainesville, Florida
October 18, 2018

Damon C. Leggett, C.F.A.

Gilchrist County Property Appraiser

112 South Main Street, Suite 138 ▪ Trenton, Florida 32693 ▪ Phone: 352-463-3190 ▪ 1-800-219-3208 ▪ Fax: 352-463-3193

October 18, 2018

Sherrill F. Norman
State of Florida Auditor General
Tallahassee, FL 32399

To Whom It May Concern:

I have reviewed the auditor's comments relating to this office for the fiscal year ending September 30, 2017.

I am very pleased with the results of this audit and am proud of the fact that I have conducted the affairs of the Property Appraiser's Office in such a manner that I have received such a favorable audit. As always we are open to suggestions from the auditors and make every effort to comply with their recommendations so we can get such favorable audits.

I appreciate the manner in which the auditors conducted the audit and feel that they did the work in a professional and courteous manner.

Sincerely,

Damon C. Leggett
Property Appraiser

Copy: File
Board of Gilchrist County Commissioners
Robert Beauchamp, C.P.A.

Gilchrist County
Supervisor of Elections

Audit Report

September 30, 2017

Table of Contents
September 30, 2017

REPORT
Independent Auditor's Report 1

SPECIAL PURPOSE FINANCIAL STATEMENTS
Governmental Funds:

Balance Sheet 3

Statement of Revenues, Expenditures and Changes in Fund Balance 4

Notes to Financial Statements 5

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 8

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL
Management Letter 9

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* 10

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes 12

Elected Official's Response to Auditor's Comments --

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Connie Sanchez
Supervisor of Elections
Gilchrist County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the office of the Gilchrist County Supervisor of Elections (the "Office") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Office as of September 30, 2017, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the special purpose financial statements, and other knowledge we obtained during our audit of the special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2018 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Gainesville, Florida
October 26, 2018

Gilchrist County Supervisor of Elections

Balance Sheet – Governmental Funds
September 30, 2017

	General Fund
Assets	
Cash and equivalents	$ 41,486
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	$ 2,196
Due to other county agencies	28,448
Total liabilities	30,644
Fund balance:	
Restricted for voting system grant	10,842
Total liabilities and fund balance	$ 41,486

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year ended September 30, 2017

	General Fund
Revenues	
Intergovernmental revenue	$ 10,842
Charges for services	30
Miscellaneous	39
Total revenues	10,911
Expenditures	
Current:	
General government services	308,663
Excess of revenues under expenditures	(297,752)
Other financing sources (uses)	
Appropriation from board of county commissioners	326,200
Reversion to board of county commissioners	(28,448)
Total other financing sources (uses)	297,752
Net change in fund balance	-
Fund balance - beginning of year	10,842
Fund balance - end of year	$ 10,842

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

Basis of Presentation

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

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no nonmajor funds.

The Office reports the following major governmental fund:

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

Fund Balance

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

Measurement Focus/Basis of Accounting

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets and Long-Term Liabilities

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

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

Cash and Equivalents

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

Use of Estimates

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

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
September 30, 2017

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental revenue	$ -	$ -	$ 10,842	$ 10,842
Charges for services	-	-	30	30
Miscellaneous	-	-	39	39
Total revenues	-	-	10,911	10,911
Expenditures				
Current:				
General government services	370,900	326,200	308,663	17,537
Excess of revenues over (under) expenditures	(370,900)	(326,200)	(297,752)	28,448
Other financing sources (uses)				
Appropriation from board of county commissioners	370,900	326,200	326,200	-
Reversion to board of county commissioners	-	-	(28,448)	(28,448)
Total other financing sources (uses)	370,900	326,200	297,752	(28,448)
Net change in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	10,842	10,842
Fund balances - end of year	$ -	$ -	$ 10,842	$ 10,842

Additional Elements Required by the Rules of the Auditor General

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Connie Sanchez
Supervisor of Elections
Gilchrist County, Florida

We have audited the financial statements of the office of the Gilchrist County Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2017, and have issued our report thereon dated October 26, 2018. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

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

Other Matters

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

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

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

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

Gainesville, Florida
October 26, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Connie Sanchez
Supervisor of Elections
Gilchrist County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the office of the Gilchrist County Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated October 26, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Gainesville, Florida
October 26, 2018

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
4010 N.W. 25th Place
Gainesville, Florida 32606
P.O. Box 13494
Gainesville, Florida 32604

(352) 372-6300
(352) 375-1583 (fax)
www.cricpa.com

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

The Honorable Connie Sanchez
Supervisor of Elections
Gilchrist County, Florida

We have examined the office of the Gilchrist County Supervisor of Elections' (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, 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 legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017.

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

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

Gainesville, Florida
October 26, 2018

Connie Sanchez
Gilchrist County
Supervisor of Elections

October 26, 2018

Auditor General State of Florida
Sherrill F. Norman, CPA
Tallahassee, Florida 32399-1450

RE: Gilchrist County Supervisor of Election 2016-17 Audit Report

Dear Ms. Norman,

I have reviewed Carr, Riggs and Ingram auditor's report relating to the office of Supervisor of Elections, Gilchrist County, Florida for the fiscal year ending September 30, 2017.

We were pleased that our bookkeeping met the standards required for county government and sincerely appreciate the professional and courteous manner in which our audit was conducted.

Respectfully,

Connie D. Sanchez

Connie D. Sanchez
Supervisor of Elections

CDS:

Copy: File
Carr, Riggs and Ingram
Board of County Commissioners

112 S. Main Street, Room 128 ★ Trenton, FL 32693-3249
(352) 463-3194 ★ Fax (352) 463-3196 ★ elections@gilchrist.fl.us ★ www.VoteGilchrist.com