

SUWANNEE COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018

SUWANNEE COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018

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INTRODUCTORY SECTION

SUWANNEE COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2018

<u>Title</u>	<u>Name</u>
Board of County Commissioners	
District I	Don Hale, Jr.
District II	Clyde Fleming
District III	Ricky Gamble
District IV	Larry Sessions
District V	Ronnie Richardson
Clerk of the Circuit Court	Barry A. Baker
Property Appraiser	Lamar Jenkins
Sheriff	Sam St. John
Supervisor of Elections	Glenda B. Williams
Tax Collector	Sharon W. Jordan

COUNTY-WIDE FINANCIAL REPORT



Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Suwannee County, Florida, as of and for the fiscal year ended September 30, 2018, which collectively comprise Suwannee County, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Suwannee County, Florida as of September 30, 2018, and the respective changes in financial position and cash flows, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 18, the budgetary comparison information on pages 72 through 81, the Florida Retirement System Schedules on pages 82 and 83 and the OPEB Plan Schedules on page 84; 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.

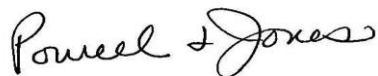
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Suwannee County, Florida's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as

required by *Chapter 10.550 Rules of the State of Florida, Office of the Auditor General*; and by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Award, and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2019 on our consideration of Suwannee County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering the Suwannee County, Florida's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accountants
June 15, 2019

SUWANNEE COUNTY, FLORIDA

Management's Discussion and Analysis

For the Fiscal Year Ended September 30, 2018

The County management's discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2018. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

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

Its intent is to provide a brief, objective, and easily readable analysis of the County's financial performance for the year and its financial position at fiscal year ended September 30, 2018.

One of the key requirements of GASB 34 in financial presentation is the requirement to capitalize infrastructure assets and record depreciation. Consequently, these guidelines have a significant impact on the reporting of fixed assets, long term liabilities, and fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

The **statement of net position** presents information on all assets and liabilities of the County, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Net position is reported in three categories: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental Activities separate from those of business-type activities.

The **statement of activities** presents information on all revenues and expenses of the County and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the County. To assist in understanding the County's operations, expenses have been reported as governmental activities or business-type activities. Governmental activities financed by the County include public safety, physical environment, transportation, economic environment, human services, culture and recreation, and general government services. Business-type activities financed by user charges include the solid waste collection and disposal operations.

Fund financial statements

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

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

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

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

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

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the County. The government-wide financial statements provide an overall picture of the County's financial standing, split between governmental activities and business-type activities. These statements are comparable to private-sector companies and give a good

understanding of the County's overall financial health and how the County paid for the various activities, or functions, provided by the County. All assets of the County, including buildings, land, roads, and bridges are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds, landfill closure liabilities, future employee benefits obligated but not paid by the County and the County's portion of the FRS net pension liability, are included. The **statement of activities** includes depreciation on all long lived assets of the County, but transactions between the different functions of the County have been eliminated in order to avoid "doubling up" the revenues and expenses.

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

Notes to the financial statements

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

FINANCIAL HIGHLIGHTS

Total assets and deferred outflows of the County exceeded total liabilities and deferred inflows by \$86,068,706 (net position). Unrestricted net position for governmental activities was \$2,821,947, and for business-type activities was \$(363,951). Governmental Activities restricted net position was \$6,471,716, and was \$1,420,975 for Business-type Activities.

Total net position increased by \$4,535,290. Of that amount, \$4,979,159 is attributable to Governmental Activities and a decrease in net position \$(443,869), is attributable to Business-type Activities. This increase was primarily due to budgetary management.

Governmental Activities revenues increased \$4,002,433 to \$54,337,237. This 8% increase in revenue was due primarily to an increase in capital grants received during the year. Governmental expenses increased by \$4,651,519 to \$49,326,018. This increase in expense of 10.4% was primarily due to an increase in public safety expenditures and inflation.

Business-type activities revenues increased 1.7% to \$3,132,583 while business-type expenses decreased 11.4% to \$3,608,512. This was primarily attributable to an increase in repairs and maintenance and contractual services in these enterprise funds.

FINANCIAL ANALYSIS OF THE COUNTY

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2018, the assets of the County exceed liabilities by \$86,068,706.

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

88% of the County's net position reflects its investment in capital assets (land, buildings, infrastructure, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional 9.1% of the County's net position represents resources that are dedicated or subject to restrictions on how they may be used. Certain of these assets have only been restricted by action of the Board of County Commissioners and are subject to reclassification to unrestricted net position as required. The remaining balance of unrestricted net position \$2,457,996 may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. The increase in Governmental Activities net position is due primarily to a budgetary management. The Business-type Activities net position basically remained constant for the year.

NET POSITION

	Governmental	Business-type	Total Government	
	Activities	Activities	2018	2017
Assets				
Current assets	\$ 38,585,294	\$ 2,406,389	\$ 40,991,683	\$ 38,015,343
Restricted assets	-	1,617,669	1,617,669	1,608,126
Non-current assets	81,531,770	1,674,680	83,206,450	73,429,830
Total assets	<u>120,117,064</u>	<u>5,698,738</u>	<u>125,815,802</u>	<u>113,053,299</u>
Deferred Outflows of Resources	<u>11,562,098</u>	<u>331,279</u>	<u>11,893,377</u>	<u>11,275,732</u>
Liabilities				
Current liabilities (payable from current assets)	9,386,133	432,899	9,819,032	6,307,462
Current liabilities (payable from restricted assets)	-	196,694	196,694	193,216
Non-current liabilities	36,303,214	2,592,711	38,895,925	30,802,883
Total liabilities	<u>45,689,347</u>	<u>3,222,304</u>	<u>48,911,651</u>	<u>37,303,561</u>
Deferred Inflows of Resources	<u>2,652,813</u>	<u>76,009</u>	<u>2,728,822</u>	<u>1,329,878</u>
Net Position				
Net assets, invested in capital assets, net of related debt	74,043,339	1,674,680	75,718,019	68,487,358
Net assets - restricted	6,471,716	1,420,975	7,892,691	8,079,842
Net assets - unrestricted	2,821,947	(363,951)	2,457,996	9,128,392
Total Net Position	<u>\$ 83,337,002</u>	<u>\$ 2,731,704</u>	<u>\$ 86,068,706</u>	<u>\$ 85,695,592</u>

CHANGES IN NET POSITION

	Governmental	Business-type	Total Government	
	Activities	Activities	2018	2017
Revenues:				
Program Revenues				
Charges for services	\$ 11,209,009	\$ 2,909,221	\$ 14,118,230	\$12,811,359
Operating grants/ contributions	4,143,172	90,909	4,234,081	5,276,469
Capital grants/ contributions	7,120,327	-	7,120,327	4,504,579
General Revenues				
Property taxes	14,933,618	-	14,933,618	14,070,866
Sales and use taxes	7,154,245	-	7,154,245	6,852,951
Communications surtax	248,749	-	248,749	242,760
State shared revenues	8,225,522	-	8,225,522	8,127,003
Interest	158,440	14,316	172,756	97,724
Other	1,144,155	118,137	1,262,292	1,430,258
Total Revenues	54,337,237	3,132,583	57,469,820	53,413,969
Expenses:				
General government	8,771,443	-	8,771,443	8,522,749
Public safety	19,040,352	-	19,040,352	17,007,071
Physical environment	861,606	3,608,512	4,470,118	3,854,991
Transportation	9,784,980	-	9,784,980	9,350,215
Economic environment	1,939,566	-	1,939,566	930,495
Human services	1,451,364	-	1,451,364	1,256,532
Culture/recreation	4,925,850	-	4,925,850	4,878,156
Court related	1,877,735	-	1,877,735	1,864,127
Interest on long-term debt	128,092	-	128,092	122,879
Loss on disposition of fixed assets	545,030	-	545,030	-
Total Expenses	49,326,018	3,608,512	52,934,530	47,787,215
Transfers In (Out)	(32,060)	32,060	-	-
Increase (decrease) In net position from activities	\$ 4,979,159	\$ (443,869)	\$ 4,535,290	\$ 5,626,754

Property taxes provide 27% of the revenues for Governmental Activities, while sales taxes provide 13%. Charges for services provide 21% of governmental revenues and State shared revenues provide 15%. Most of the Governmental Activities resources are spent for Public Safety (38%), General Government (18%), Physical Environment (2%), Transportation (20%), Economic Environment (4%), Human Services (3%), Culture/Recreation (11%) and Court Related (4%).

FUND FINANCIAL INFORMATION

Governmental Funds

General Fund

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County Ordinances or other externally imposed requirements. As of September 30, 2018, total assets were \$15,669,996 and total liabilities were \$1,752,518. The ending fund balance was \$13,917,478, \$9,537,989 of which is unassigned. Fund balance increased by \$1,153,168 during the year.

In the year ended September 30, 2018, total revenues of \$24,335,148, exceeded total expenditures of \$20,183,188 by \$4,151,960. A net amount of \$2,998,792 was also transferred to other funds for operational and capital related purposes for a resulting increase in the fund balance in the General Fund of \$1,153,168.

During the fiscal year, the County amended the General Fund budget by \$3,000, to adjust for a small increase in expenditures. The County budgeted ad valorem taxes at 95% of the total tax levy, as allowed by State law; actual collections were 97%. Other revenues were approximately the same level as the prior year.

Other Governmental Funds

The *Road and Bridge (Transportation) Fund* accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. As of September 30, 2018, expenditures and transfers exceeded revenues in the amount of \$(122,192). The ending fund balance was \$3,894,905.

The *Fine and Forfeiture Fund* accounts for expenditures relating to the judicial system and the funding of the operations of the Sheriff, a separate Constitutional Officer. Financing is provided by ad valorem and local option sales taxes, state shared revenues, and current related fines and fees. For the fiscal year ended September 30, 2018, revenues exceeded expenditures and transfers by \$614,132, increasing the fund balance to \$3,042,226.

The *Library Fund* accounts for expenditures relating to the operation of the Suwannee River Regional Library System, which includes the County library services. Financing is provided by state and local government grants and library related fees. For the fiscal year ended September 30, 2018, revenues and transfers in exceeded expenditures by \$77,243.

The *Fire Protection Fund* accounts for expenditures related to the County fire protection services which are funded by special assessments. For the fiscal year ended September 30, 2018, revenues, transfers and the proceeds of long-term debt exceeded expenditures by \$266,838.

The *Clerk Court Related Fund* is the general operating fund of the Clerk of the Circuit Court, a Constitutional Officer. The primary source of funds are various court related fees and service charges. Expenditures for the year were \$1,089,489 which were funded by operating revenues and an operating transfer of \$183,230. The fund had a net transfer out of \$(302,924).

The *Sheriff General Fund* is the operating fund of the Sheriff, a Constitutional Officer. The primary source of funds are transfers from the Board of County Commissioners Fine and Forfeiture Fund. Expenditures totaled \$9,189,944 for the year and by law this fund has no ending fund balance.

The *Reserve Capital Infrastructure Fund* is a capital projects fund established by the County to fund future infrastructure improvements. It was funded by an equity transfer from the former Hospital Investment Fund. In the current year, interest income of \$35,724 and an expenditure of \$62 brought the fund balance to \$4,354,120.

The *Road and Bridge Construction Fund* is a capital projects fund established by the County to fund road improvement projects throughout the County. It is funded by County-levied fuel taxes and had an ending fund balance of \$1,996,486.

Proprietary Funds

The *Solid Waste Collection Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste collection service provided to residential and commercial customers within the County. This is operated like a business where the rates established by the County generate sufficient funds to pay the costs of current operations and provide for the accumulation of funding for capital asset acquisitions. Total assets as of September 30, 2018, were \$1,368,493, total liabilities were \$776,587, net deferred outflows and inflows of resources were \$212,712 and net position was \$1,597,524. Total revenue was \$1,450,498. The net loss for the year was (\$408,400). and net position was \$1,597,534.

The *Solid Waste Disposal Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County operated solid waste disposal services. This fund is substantially financed by tippage fees and special assessments charged to users of the services. Total assets as of September 30, 2018, were \$3,488,788, total liabilities were \$2,454,013, net deferred outflows and inflows of resources were \$42,558 and net position was \$1,077,333. Total revenue was \$1,681,179.

The Water Plant Fund accounts for the revenues, expenses, assets and liabilities associated with the County operated water plant. This fund earned only \$906 of income and incurred \$36,191 of expenses during the year. An interfund operating transfer in of \$32,060 brought net position to \$56,837.

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2018, was \$83,206,450 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. In previous years, general fixed assets were recorded at cost or fair market value at the time of acquisition. Depreciation was not recognized for governmental activities.

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

The following schedule provides a summary of the County's capital assets activity for the year ended September 30, 2018:

Capital Assets

	Governmental	Business-type	Totals	
	Activities	Activities	2018	2017
Land and improvements	\$ 8,938,865	\$ 5,493,784	\$ 14,432,649	\$ 13,940,684
Construction in progress	4,697,264	-	4,697,264	3,179,459
Roads and infrastructure	78,483,598	-	78,483,598	69,913,425
Buildings and improvements	29,207,287	-	29,207,287	27,788,212
Equipment	18,557,565	2,478,193	21,035,758	21,052,485
Total	139,884,579	7,971,977	147,856,556	135,874,265
Less accumulated depreciation	(58,352,809)	(6,297,297)	(64,650,106)	(62,444,435)
Total	\$ 81,531,770	\$ 1,674,680	\$ 83,206,450	\$ 73,429,830

DEBT MANAGEMENT

Government Activities Debt

The County entered into capital lease agreements during the year of \$3,115,828 and a total of \$569,869 in principal reductions were made on governmental activities debt, leaving the following balances at September 30, 2018:

	2018	2017
Bank notes	\$ -	\$ 10,000
Capital leases	3,115,828	\$ -
Revenue bonds	4,372,603	4,932,472
	<u>\$7,488,431</u>	<u>\$ 4,942,472</u>

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The current unemployment rate for the County, was 4%. This was a decrease from the prior fiscal year.
- The official estimated population for the County in 2018 was 44,191, and is estimated to be 47,520 by the end of 2020.
- The ad valorem tax millage rate for the County was 9.00 mills in 2018, which was the same as the prior year.

REQUEST FOR INFORMATION

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. Questions concerning this report or requests for additional information should be addressed to the Clerk of the Circuit Court, 200 S. Ohio Ave., Live Oak, Florida 32064, or by calling (386) 362-0545.

BASIC FINANCIAL STATEMENTS

SUWANNEE COUNTY, FLORIDA

**STATEMENT OF NET POSITION
September 30, 2018**

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 25,124,524	\$ 2,246,557	\$ 27,371,081
Accounts receivable - net	343,505	74,420	417,925
Internal balances	10,351	(10,351)	-
Due from agency funds	29,956	391	30,347
Due from other governmental units	5,065,604	95,372	5,160,976
Prepaid expenses	15,059	-	15,059
Investments	7,996,295	-	7,996,295
Total current assets	38,585,294	2,406,389	40,991,683
Restricted assets:			
Investments	-	1,617,669	1,617,669
Total restricted assets	-	1,617,669	1,617,669
Noncurrent assets:			
Capital assets - net	81,531,770	1,674,680	83,206,450
Total assets	120,117,064	5,698,738	125,815,802
DEFERRED OUTFLOWS OF RESOURCES			
Florida State Retirement pension liability	11,562,098	331,279	11,893,377
LIABILITIES			
Current liabilities (payable from current assets):			
Accounts payable	1,406,683	65,142	1,471,825
Accrued salaries	225,922	19,421	245,343
Accrued liabilities	402,176	2,790	404,966
Due to other governmental units	153,207	-	153,207
Unearned revenues	69,356	-	69,356
Deposits	-	108,227	108,227
Accrued compensated absences	420,272	14,143	434,415
Current portion capital leases payable	247,350	-	247,350
Current portion revenue bonds payable	575,435	-	575,435
Current portion OPEB liability	471,401	-	471,401
Current portion FRS pension liability	5,386,229	223,176	5,609,405
Other current liabilities	28,102	-	28,102
Total current liabilities (payable from current assets)	9,386,133	432,899	9,819,032
Current liabilities (payable from restricted assets)			
Landfill postclosure costs	-	196,694	196,694
Total current liabilities (payable from restricted assets)	-	196,694	196,694
Noncurrent liabilities			
Accrued compensated absences	2,381,542	80,141	2,461,683
OPEB obligation	6,373,014	-	6,373,014
Landfill post-closure costs	-	1,983,075	1,983,075
Revenue bonds payable	3,797,168	-	3,797,168
Capital leases payable	2,868,478	-	2,868,478
FRS pension liability	20,883,012	529,495	21,412,507
Total long-term liabilities	36,303,214	2,592,711	38,895,925
Total liabilities	45,689,347	3,222,304	48,911,651

(Continued)

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**STATEMENT OF NET POSITION
September 30, 2018**

	Governmental Activities	Business - type Activities	Total
DEFERRED INFLOWS OF RESOURCES	\$ 2,652,813	\$ 76,009	\$ 2,728,822
NET POSITION			
Invested in capital assets, net of related debt	74,043,339	1,674,680	75,718,019
Restricted for:			
Road projects	1,996,486	-	1,996,486
Other purposes	4,475,230	1,420,975	5,896,205
Unrestricted	2,821,947	(363,951)	2,457,996
Total net position	\$ 83,337,002	\$ 2,731,704	\$ 86,068,706

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2018**

Functions/Programs	Program Services				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business	Total
						Type Activities	
Governmental Activities							
General Government	\$ 8,771,443	\$ 1,447,219	\$ 84,114	\$ -	\$ (7,240,110)	\$ -	\$ (7,240,110)
Public Safety	19,040,352	5,265,804	1,256,722	246,021	(12,271,805)	-	(12,271,805)
Physical Environment	861,606	80,949	300,015	84,760	(395,882)	-	(395,882)
Transportation	9,784,980	729,865	15,600	6,789,546	(2,249,969)	-	(2,249,969)
Economic Environment	1,939,566	13,900	673,145	-	(1,252,521)	-	(1,252,521)
Human Services	1,451,364	-	-	-	(1,451,364)	-	(1,451,364)
Culture/recreation	4,925,850	2,287,918	1,813,576	-	(824,356)	-	(824,356)
Court related	1,877,735	1,383,354	-	-	(494,381)	-	(494,381)
Interest on long-term debt	128,092	-	-	-	(128,092)	-	(128,092)
Total governmental activities	48,780,988	11,209,009	4,143,172	7,120,327	(26,308,480)	-	(26,308,480)
Business - type activities							
Physical Environment							
Solid Waste	3,608,512	2,909,221	90,909	-	-	(608,382)	(608,382)
Total government	52,389,500	14,118,230	4,234,081	7,120,327	(26,308,480)	(608,382)	(26,916,862)
General revenues							
Ad valorem taxes					14,933,618	-	14,933,618
Sales and use taxes					7,154,245	-	7,154,245
Communications service tax					248,749	-	248,749
State shared revenue					8,225,522	-	8,225,522
State payments in lieu of taxes					18,589	-	18,589
Interest					158,440	14,316	172,756
Miscellaneous					1,125,566	58,125	1,183,691
Net gain (loss) on disposition of fixed assets					(545,030)	60,012	(485,018)
Transfers in (out)					(32,060)	32,060	-
Total general revenue					31,287,639	164,513	31,452,152
Change in net position					4,979,159	(443,869)	4,535,290
Net position - beginning					82,567,595	3,127,996	85,695,591
Prior period adjustment					(4,209,752)	47,577	(4,162,175)
Net position - ending					\$ 83,337,002	\$ 2,731,704	\$ 86,068,706

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2018**

	Special Revenue Funds						Capital Projects Funds			Other Governmental Funds	Total Governmental Funds
	General Fund	Road and Bridge	Fine and Forfeiture	Library	Fire Protection	Clerk of Circuit Court Related	Sheriff Operating	Reserve Capital Infrastructure	Road and Bridge Construction		
ASSETS											
Current assets											
Cash	\$ 10,397,996	\$ 61,793	\$ 2,371,774	\$ 2,384,845	\$ 1,782,365	\$ 160,103	\$ 524,289	\$ 123,268	\$ 1,996,486	\$ 5,321,605	\$ 25,124,524
Accounts receivable	340,207	-	-	226	-	-	1,632	-	-	1,440	343,505
Due from other funds	236,766	18,540	584,630	3,000	1,155	55,145	-	-	-	253,323	1,152,559
Advances to other funds	141,331	-	-	-	-	-	-	-	-	-	141,331
Due from other governmental units	3,485,510	1,210,881	115,000	19,679	6,350	15,555	66,937	-	-	145,692	5,065,604
Prepaid insurance	-	-	-	-	-	-	-	-	-	15,059	15,059
Investments	1,068,186	2,697,257	-	-	-	-	-	4,230,852	-	-	7,996,295
Total assets	\$ 15,669,996	\$ 3,988,471	\$ 3,071,404	\$ 2,407,750	\$ 1,789,870	\$ 230,803	\$ 592,858	\$ 4,354,120	\$ 1,996,486	\$ 5,737,119	\$ 39,838,877
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Accounts payable	\$ 1,185,923	\$ 48,013	\$ 28,636	\$ 19,827	\$ 21,526	\$ 257	\$ -	\$ -	\$ -	\$ 102,501	\$ 1,406,683
Accrued wages	112,848	38,567	-	24,152	-	13,744	-	-	-	36,611	225,922
Other accrued liabilities	374,545	6,051	-	4,183	-	2,660	-	-	-	14,737	402,176
Due to other funds	66,564	934	542	-	1,445	84,453	565,636	-	-	392,678	1,112,252
Due to other governmental units	1,241	-	-	-	-	119,915	-	-	-	32,051	153,207
Unearned revenues	-	-	-	-	-	-	27,222	-	-	42,134	69,356
Other current liabilities	11,397	-	-	-	-	9,774	-	-	-	6,931	28,102
Advances from other funds	-	-	-	-	14,1331	-	-	-	-	-	141,331
Total liabilities	1,752,518	93,565	29,178	48,162	164,302	230,803	592,858	-	-	627,643	3,539,029
FUND BALANCES											
Nonspendable:											
Prepaid expenses	15,059	-	-	-	-	-	-	-	-	-	15,059
Advances from other funds	141,331	-	-	-	-	-	-	-	-	-	141,331
Restricted	73,880	-	-	2,359,500	-	-	-	-	1,996,486	2,041,850	6,471,716
Assigned	1,720,771	3,894,906	3,042,226	-	-	-	-	-	-	844,951	9,502,854
Committed	2,428,448	-	-	-	-	-	-	4,354,120	-	2,222,675	9,005,243
Unassigned	9,537,989	-	-	-	1,625,568	-	-	-	-	-	11,163,557
Total fund balances	13,917,478	3,894,906	3,042,226	2,359,588	1,625,568	-	-	4,354,120	1,996,486	5,109,476	36,299,848
Total liabilities and fund balances	\$ 15,669,996	\$ 3,988,471	\$ 3,071,404	\$ 2,407,750	\$ 1,789,870	\$ 230,803	\$ 592,858	\$ 4,354,120	\$ 1,996,486	\$ 5,737,119	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 81,531,770

Long-term liabilities, including revenue bonds payable of \$4,372,603, capital leases of \$3,115,828, compensated absences of \$2,801,814, OPEB obligation \$6,844,415 and pension liability of \$26,269,241 are not due and payable in the current period and therefore are not reported in the funds. (43,403,901)

Deferred outflows of resources of \$11,562,098 and deferred inflows of resources of (\$2,652,813) are not recognized in the current period and therefore are not reported in the funds. 8,909,285

Net position of governmental activities \$ 83,337,002

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2018**

	Special Revenue Funds					Capital Projects Funds				Other Governmental Funds	Total Governmental Funds
	General Fund	Road and Bridge	Fine and Forfeiture	Library	Fire Protection	Clerk of Circuit Court Related	Sheriff Operating	Reserve Capital Infrastructure	Road and Bridge Construction		
REVENUES											
Taxes	\$ 9,018,897	\$ 3,233,261	\$ 9,797,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,525	\$ 281,561	\$ 22,336,609
Special assessments	-	-	-	-	2,138,539	-	-	-	-	-	2,138,539
Licenses and permits	33,962	5,485	-	-	-	-	-	-	-	246,425	285,872
Intergovernmental	10,955,981	4,902,894	53,125	2,233,815	8,800	221,872	219,097	-	-	1,854,729	20,928,438
Charges for services	2,811,609	414,377	121,720	111,000	16,192	801,273	10,521	-	-	1,816,809	6,103,501
Fines and forfeitures	16,497	-	99,388	27,838	-	178,880	-	-	-	37,252	359,855
Miscellaneous	1,470,997	116,498	46,438	76,124	5,300	-	24,322	-	-	421,635	2,161,314
Interest	27,205	49,591	-	-	2,407	7,158	2,141	35,724	1,998	32,216	158,440
Total revenues	24,335,148	8,722,106	10,596,161	2,448,777	2,171,238	1,209,183	256,081	35,724	7,523	4,690,627	54,472,568
EXPENDITURES											
Current expenditures											
General government	3,889,483	-	1,201	-	-	-	-	62	-	3,764,322	7,655,068
Public safety	5,667,986	-	479,667	-	573,763	-	8,848,349	-	-	802,089	16,371,854
Physical environment	822,019	-	-	-	-	-	-	-	-	-	822,019
Transportation	265,538	5,500,428	-	19,712	-	-	-	-	-	-	5,785,678
Economic environment	1,211,304	-	-	-	-	-	-	-	-	629,862	1,841,166
Human services	1,444,009	-	-	-	-	-	-	-	-	7,355	1,451,364
Culture / recreation	-	-	-	3,415,626	-	-	-	-	-	1,192,697	4,608,323
Court related	20,768	-	348,280	-	-	1,089,489	-	-	-	366,543	1,825,080
Capital outlay											
General government	741,414	-	-	-	-	-	-	-	-	181,071	922,485
Public safety	1,126,883	-	-	-	2,077,089	-	341,595	-	-	79,694	3,625,261
Physical environment	1,459	-	-	-	-	-	-	-	-	-	1,459
Transportation	723,650	4,424,930	-	-	-	-	-	-	70,318	-	5,218,898
Economic environment	3,329,872	-	-	-	-	-	-	-	-	-	3,329,872
Human services	241,001	-	-	-	-	-	-	-	-	-	241,001
Culture / recreation	-	-	-	80,005	-	-	-	-	-	678,809	758,814
Court related	-	-	-	-	-	-	-	-	-	3,525	3,525
Debt service											
Principal	569,869	-	-	-	-	-	-	-	-	-	569,869
Interest	127,933	-	-	-	159	-	-	-	-	-	128,092
Total expenditures	20,183,188	9,925,358	829,148	3,515,343	2,651,011	1,089,489	9,189,944	62	70,318	7,705,967	55,159,828
Excess of revenues over (under) expenditures	4,151,960	(1,203,252)	9,767,013	(1,066,566)	(479,773)	119,694	(8,933,863)	35,662	(62,795)	(3,015,340)	(687,260)
OTHER FINANCING SOURCES (USES)											
Proceeds of long-term debt	1,120,454	-	-	-	1,995,374	-	-	-	-	-	3,115,828
Sale of equipment	-	83,029	-	-	-	-	-	-	-	-	83,029
Interfund transfers in	1,364,537	998,031	-	1,143,809	21,920	183,230	8,933,863	-	-	3,836,919	16,482,309
Interfund transfers out	(5,483,783)	-	(9,152,881)	-	(1,270,683)	(302,924)	-	-	-	(304,098)	(16,514,369)
Total other financing sources (uses)	(2,998,792)	1,081,060	(9,152,881)	1,143,809	746,611	(119,694)	8,933,863	-	-	3,532,821	3,166,797
Net change in fund balances	1,153,168	(122,192)	614,132	77,243	266,838	-	-	35,662	(62,795)	517,481	2,479,537
Fund balances at beginning of year	12,764,310	4,017,098	2,428,094	2,282,345	1,358,730	-	-	4,318,458	2,059,281	4,591,995	33,820,311
Fund balances at end of year	\$ 13,917,478	\$ 3,894,906	\$ 3,042,226	\$ 2,359,588	\$ 1,625,568	\$ -	\$ -	\$ 4,354,120	\$ 1,996,486	\$ 5,109,476	\$ 36,299,848

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2018

Net change in fund balances - total governmental funds		\$ 2,479,537
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Expenditures for capital assets	\$ 14,101,316	
Disposition of fixed assets	(628,059)	
Less current year depreciation	<u>(5,461,288)</u>	
		<u>8,011,969</u>
Repayments of principal on notes and revenue bonds are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Proceeds of long-term debt increase fund balance in the governmental funds but are recorded as liabilities in the Statement of Net Position		
Proceeds of long-term debt	(3,115,828)	
Notes payable principal payments	10,000	
Revenue bond principal payments	<u>559,869</u>	<u>(2,545,959)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Net change in compensated absences	(469,643)	
Net change in OPEB obligation	(471,401)	
FRS pension current net change in liability and deferred inflows and outflows of resources	<u>(2,025,344)</u>	<u>(2,966,388)</u>
Change in net position Statement of Activities		<u>\$ 4,979,159</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
STATEMENT OF NET POSITION**

PROPRIETARY FUND TYPES

September 30, 2018

	Business Type Activities			Total
	Enterprise Funds			
	Solid Waste Collection	Solid Waste Disposal	Water Plant	
ASSETS				
Current assets				
Cash	\$ 781,833	\$ 1,405,802	\$ 58,922	\$ 2,246,557
Accounts receivable	7,897	77,667	97	85,661
Allowance for doubtful accounts	(1,404)	(9,837)	-	(11,241)
Due from other funds	242	391	-	633
Due from other governmental units	4,348	90,909	115	95,372
Total current assets	792,916	1,564,932	59,134	2,416,982
Restricted assets				
Investments	-	1,617,669	-	1,617,669
Noncurrent assets				
Land	144,751	193,215	-	337,966
Buildings and Improvements	1,491,673	3,664,145	-	5,155,818
Equipment	1,975,621	502,570	-	2,478,191
Allowance for depreciation	(2,243,552)	(4,053,743)	-	(6,297,295)
Total noncurrent assets	1,368,493	306,187	-	1,674,680
Total assets	2,161,409	3,488,788	59,134	5,709,331
DEFERRED OUTFLOWS OF RESOURCES	276,049	55,230	-	331,279
LIABILITIES AND NET POSITION				
LIABILITIES				
Current liabilities (payable from current assets)				
Accounts payable	7,682	55,163	2,297	65,142
Wages payable	16,164	3,257	-	19,421
Accrued payroll liabilities	2,322	468	-	2,790
Due to other funds	9,424	1,169	-	10,593
Deposits	34,183	74,044	-	108,227
Accrued compensated absences	11,944	2,199	-	14,143
Current portion FRS pension liability	197,447	25,729	-	223,176
Total current liabilities (payable from current assets)	279,166	162,029	2,297	443,492
Current liabilities (payable from restricted assets)				
Landfill postclosure costs	-	196,694	-	196,694
Total current liabilities (payable from restricted assets)	-	196,694	-	196,694

(continued)

**SUWANNEE COUNTY FLORIDA
STATEMENT OF NET POSITION**

PROPRIETARY FUND TYPES

September 30, 2018

	Business Type Activities			Total
	Enterprise Funds			
	Solid Waste Collection	Solid Waste Disposal	Water Plant	
Noncurrent liabilities				
Accrued compensated absences	\$ 67,681	12,460	\$ -	\$ 80,141
Estimated liability for landfill closure	-	1,983,075	-	1,983,075
FRS pension liability	429,740	99,755	-	529,495
Total noncurrent liabilities	497,421	2,095,290	-	2,592,711
Total liabilities	776,587	2,454,013	2,297	3,232,897
DEFERRED INFLOWS OF RESOURCES	63,337	12,672	-	76,009
NET POSITION				
Invested in capital assets, net of related debt	1,368,493	306,187	-	1,674,680
Restricted for landfill closure	-	1,420,975	-	1,420,975
Unrestricted	229,041	(649,829)	56,837	(363,951)
Total net position	\$ 1,597,534	\$ 1,077,333	\$ 56,837	\$ 2,731,704

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION
PROPRIETARY FUND TYPES
For the Fiscal Year Ended September 30, 2018**

	Business Type Activities			Total
	Enterprise Funds			
	Solid Waste Collection	Solid Waste Disposal	Water Plant	
OPERATING REVENUES				
Physical environment				
State grants	\$ -	\$ 90,909	\$ -	\$ 90,909
Charges for services	85,458	832,101	823	918,382
Container rental	14,342	-	-	14,342
Miscellaneous	58,108	-	17	58,125
Total operating revenues	157,908	923,010	840	1,081,758
OPERATING EXPENSES				
Garbage, solid waste and water services				
Personnel services				
Salaries	816,469	137,872	-	954,341
Employee benefits	385,487	72,140	-	457,627
Total personnel services	1,201,956	210,012	-	1,411,968
Operating expenses				
Professional and contractual services	35,500	1,243,263	24,252	1,303,015
Communications	13,910	-	-	13,910
Travel and per diem	-	1,146	-	1,146
Utility services	16,988	3,176	5,604	25,768
Rental and leases	1,151	33,128	-	34,279
Insurance	85,000	10,000	-	95,000
Repairs and maintenance	92,816	153,028	5,500	251,344
Supplies	178,513	16,515	667	195,695
Miscellaneous	-	620	168	788
Landfill closure cost				
Depreciation	187,727	42,535	-	230,262
Total operating expenses	611,605	1,503,411	36,191	2,151,207
Total garbage, solid waste and water services	1,813,561	1,713,423	36,191	3,563,175
Operating (loss)	(1,655,653)	(790,413)	(35,351)	(2,481,417)
NONOPERATING REVENUES (EXPENSES)				
Interest	1,051	13,199	66	14,316
Special assessments	1,231,527	744,970	-	1,976,497
Tax Collector fees	(45,337)	-	-	(45,337)
Gain on disposition of fixed assets	60,012	-	-	60,012
Total nonoperating revenues (expenses)	1,247,253	758,169	66	2,005,488
Net income (loss)	(408,400)	(32,244)	(35,285)	(475,929)
Operating transfers in	-	-	32,060	32,060
Net position beginning of year	2,005,934	1,062,000	60,062	3,127,996
Prior period adjustment	-	47,577	-	47,577
Net position end of year	\$ 1,597,534	\$ 1,077,333	\$ 56,837	\$ 2,731,704

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended September 30, 2018

	Business Type Activities			Totals
	Enterprise Funds			
	Solid Waste Collection Fund	Solid Waste Disposal Fund	Water Plant Fund	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users, operating grants	\$ 168,435	\$ 961,636	\$ 627	\$ 1,130,698
Cash payments to employees and benefits	(1,118,531)	(197,349)	-	(1,315,880)
Cash payments for operating expenses	(442,325)	(1,548,854)	(37,631)	(2,028,810)
Net cash used for operating activities	(1,392,421)	(784,567)	(37,004)	(2,213,992)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In	-	-	32,060	32,060
Cash received from special and service assessments net of collection fees	1,186,190	744,970	-	1,931,160
Net cash provided by noncapital financing activities	1,186,190	744,970	32,060	1,963,220
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Sale of equipment	60,012	-	-	60,012
Purchase of plant, property and equipment	(40,253)	(55,820)	-	(96,073)
Net cash provided by (used) for capital and related financing activities	19,759	(55,820)	-	(36,061)
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase (decrease) in investments	-	(9,543)	-	(9,543)
Interest revenue	1,051	13,199	66	14,316
Net cash provided by investing activities	1,051	3,656	66	4,773
Net increase (decrease) in cash and cash equivalents	(185,421)	(91,761)	(4,878)	(282,060)
Cash and cash equivalents - beginning of year	967,254	1,497,563	63,800	2,528,617
Cash and cash equivalents - end of year	\$ 781,833	\$ 1,405,802	\$ 58,922	\$ 2,246,557

(continued)

SUWANNEE COUNTY, FLORIDA

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2018

	Business Type Activities			Totals
	Enterprise Funds			
	Solid Waste Collection Fund	Solid Waste Disposal Fund	Water Plant Fund	
RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES				
Operating (loss)	\$ (1,655,653)	\$ (790,413)	\$ (35,351)	\$ (2,481,417)
Adjustments to reconcile operating loss to net cash used for operating activities:				
Depreciation	187,727	42,535	-	230,262
Changes in assets and liabilities				
Decrease (increase) in:				
Accounts receivable	(1,421)	38,350	(98)	36,831
Due from other funds	156	(214)	-	(58)
Due from other governmental units	9,088	240	(115)	9,213
Increase (decrease) in :				
Accounts payable	(12,964)	(14,309)	(990)	(28,263)
Wages payable	(1,242)	139	-	(1,103)
Accrued payroll liabilities	(38)	67	-	29
Due to other funds	(5,483)	(3,989)	(450)	(9,922)
Deposits	2,704	250	-	2,954
Accrued compensated absences	15,425	2,059	-	17,484
Estimated liability in landfill closure	-	(69,680)	-	(69,680)
FRS pension liability, deferred outflows and inflows	69,280	10,398	-	79,678
Total adjustments	<u>263,232</u>	<u>5,846</u>	<u>(1,653)</u>	<u>267,425</u>
Net cash used for operating activities	<u>\$ (1,392,421)</u>	<u>\$ (784,567)</u>	<u>\$ (37,004)</u>	<u>\$ (2,213,992)</u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS
September 30, 2018

	Board of County Commis- sioners				Sheriff				Supervisor of Elections	Tax Collector		Totals
	State Attorney	Domestic Relations	Registry of Court	Tax Deed	Bond and Fine	Civil Depositors	Inmate Welfare	Evidence Trust	Agency	Ad Valorem Tax	Tag Agency	
ASSETS												
Cash	\$ 107,357	\$ -	\$ 436,566	\$ 223,293	\$ 93,019	\$ 4,075	\$ 51,371	\$ 47,682	\$ 1,479	\$ 450,429	\$ 155,731	\$ 1,571,002
Accounts receivable	-	20	-	-	-	-	232,601	-	-	190	1,695	234,506
Due from other funds	-	8	77	8	-	-	-	-	-	57,651	76	57,820
Due from other governmental units	1,300	-	-	-	-	-	-	-	-	-	2,678	3,978
Total assets	\$ 108,657	\$ 28	\$ 436,643	\$ 223,301	\$ 93,019	\$ 4,075	\$ 283,972	\$ 47,682	\$ 1,479	\$ 508,270	\$ 160,180	\$ 1,867,306
LIABILITIES												
Accounts payable	\$ 478	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,609	\$ -	\$ 9,087
Cash bond liability	-	-	-	-	93,019	-	-	-	-	-	-	93,019
Due to individuals	-	-	82,150	-	-	-	232,457	-	-	33,740	-	348,347
Deposits held in escrow	-	-	354,493	223,301	-	-	-	47,682	-	-	-	625,476
Due to other funds	-	28	-	-	-	3,719	5,722	-	-	6,739	71,959	88,167
Due to other governmental units	108,179	-	-	-	-	-	10,964	-	-	2,194	82,096	203,433
Installments payable	-	-	-	-	-	-	-	-	-	456,979	-	456,979
Other current liabilities	-	-	-	-	-	356	34,829	-	1,479	9	6,125	42,798
Total liabilities	108,657	28	436,643	223,301	93,019	4,075	283,972	47,682	1,479	508,270	160,180	1,867,306
NET POSITION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity’s financial statements should allow users to distinguish between the primary government (the Board) and its component units. However, some component units, because of the closeness of their relationships with the Board, should be blended as though they are part of the Board. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the Board), (2) organizations for which the Board is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The Board is financially accountable if it appoints a voting majority of the organization’s governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Board. The Board may be financially accountable if an organization is fiscally dependent on the Board regardless of whether the organization has (a) separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County

management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the County's financial statements. Management determined that there are no organizations that should be included in the County's financial statements as component units under current accounting pronouncements.

B. Measurement Focus and Basis of Accounting

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

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Required supplementary information

1. Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as its discretely presented component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

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

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

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

2. Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The fiduciary statement includes financial information for the agency fund. The agency funds of the County primarily represent assets held by the County in a custodial capacity for other individuals or governments.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

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

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

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

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

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as another financing source rather than as a fund liability. However, debt service expenditures, as

well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Funds

The County's enterprise funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position. The County applies all GASB pronouncements as well as all FASB Statements and Interpretations, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

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

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

C. Basis of Presentation

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

1. Governmental Major Funds:

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

Road and Bridge Fund - The Road and Bridge Fund accounts for expenditures incurred for the maintenance and repairs of County roads. Financing is provided by local option fuel taxes and distributions of state shared fuel taxes.

Fine and Forfeiture Fund - The Fine and Forfeiture Fund accounts for expenditures relating to the judicial system and the funding of the operations of the Sheriff, a separate Constitutional Officer. Financing is provided by ad valorem and local option sales taxes, state shared revenues, and current related fines and fees.

Library Fund - The Library Fund accounts for expenditures relating to the operation of the Suwannee River Regional Library System, which includes the County library services. Financing is provided by state and local government grants and library related fees.

Fire Protection Fund - The Fire Protection Fund accounts for revenues and expenditures associated with the County's Fire Protection services.

Clerk of Circuit Court Related Fund - The Clerk of Circuit Court Related Fund is the general operating fund of the Clerk of the Circuit Court, a Constitutional Officer. It is used to account for all financial resources and expenditures of the court related operations of the Clerk.

Sheriff Operating Fund - The Sheriff Operating Fund is the general operating fund of the Sheriff, a Constitutional Officer. It is used to account for all financial resources and expenditures of the Sheriff, except those required to be accounted for in another fund.

Reserve Capital Infrastructure Fund - The Reserve Capital Infrastructure Fund is a capital projects reserve fund established by the Board to fund future infrastructure improvements.

Road and Bridge Construction Fund - The Road and Bridge Construction Fund is a capital projects fund established by the Board to fund road and bridge construction and improvements.

2. Proprietary Funds:

Solid Waste Collection Fund - The Solid Waste Collection Fund accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste collection service provided to residential and commercial customers within the County.

Solid Waste Disposal Fund - The Solid Waste Disposal Fund accounts for the revenues, expenses, assets, and liabilities associated with the County operated solid waste disposal services.

Water Plant Fund - The Water Plant Fund accounts for the revenues, expenses, assets and liabilities associated with the County operated water plant.

3. Non-current Governmental Assets/Liabilities:

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

D. Assets, Liabilities and Net position or Equity

1. Cash and Cash Equivalents

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

2. Investments

Investments include bank certificates of deposit, which are fully insured by depository insurance and pledged collateral.

3. Allowance for Doubtful Accounts

The County provides an allowance for Solid Waste Collection and Solid Waste Disposal accounts receivable that may become uncollectible. At September 30, 2018, this allowance was \$1,404 for the Solid Waste Collection Fund and \$9,837 for the Solid Waste Disposal Fund. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2018.

4. Receivables and Payables

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

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

5. Inventories

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

6. Restricted Assets

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

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

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

<u>Assets</u>	<u>Years</u>
Building and improvements	7 - 40
Machinery and equipment	5 - 20
Road and bridge infrastructure	40 - 50

8. Capitalization of Interest

Interest costs related to enterprise fund bond issues are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments. During the current period, the County did not have any such capitalized interest.

9. Unearned Revenues

Unearned revenues reported in government-wide financial statements represent revenues that have been received by the County but for which the legal requirements necessary to earn the revenues have not been met. The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned revenues.

10. Accrued Compensated Absences

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

11. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the "revenue reduction" approach in accounting to rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. Management believes the County has no arbitrage liability outstanding as of September 30, 2018.

12. Landfill Closure Costs

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

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

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

“Total fund balances” of the County’s governmental funds \$36,299,848 differs from “net position” of governmental activities \$83,337,002 reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Capital related items

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

Cost of capital assets	\$ 139,884,579
Accumulated depreciation	(58,352,809)
Total	<u>\$ 81,531,770</u>

Long-term debt transactions

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2018, were:

Revenue bonds payable	\$ 4,372,603
Capital leases	3,115,828
Compensated absences	2,801,814
OPEB obligation	6,844,415
FRS pension liability	26,269,241
Total	<u>\$ 43,403,901</u>

Deferred outflows/inflows of resources

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

Deferred outflows of resources	\$ 11,562,098
Deferred inflows of resources	<u>(2,652,813)</u>
	<u>\$ 8,909,285</u>

Elimination of interfund receivables/payables

Interfund receivables, payables and advances in the amount of \$1,253,583 between governmental funds must be eliminated for the statement of net position.

SUWANNEE COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Items	Long-Term Debt Transactions	OPEB Obligation Compensated Absences	Deferred Inflows/Outflows of Resources FRS Pension	Reclassifications and Eliminations	Statement of Net Position
ASSETS							
Cash and cash equivalents	\$ 25,124,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,124,524
Accounts receivable - net	343,505	-	-	-	-	-	343,505
Due from other funds	1,152,559	-	-	-	-	(1,112,252)	40,307
Advances to other funds	141,331	-	-	-	-	(141,331)	-
Due from other governmental units	5,065,604	-	-	-	-	-	5,065,604
Investments	7,996,295	-	-	-	-	-	7,996,295
Prepaid expenses	15,059	-	-	-	-	-	15,059
Capital assets - net	-	8,153,177	-	-	-	-	8,153,177
Total assets	39,838,877	8,153,177	-	-	-	(1,253,583)	120,117,064
DEFERRED OUTFLOWS OF RESOURCES							
	-	-	-	-	11,562,098	-	11,562,098
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,406,683	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,406,683
Accrued wages	225,922	-	-	-	-	-	225,922
Accrued liabilities	402,176	-	-	-	-	-	402,176
Due to other funds	1,112,252	-	-	-	-	(1,112,252)	-
Due to other governmental units	153,207	-	-	-	-	-	153,207
Unearned revenues	69,356	-	-	-	-	-	69,356
Other current liabilities	28,102	-	-	-	-	-	28,102
Advances from other funds	141,331	-	-	-	-	(141,331)	-
Accrued compensated absences	-	-	-	2,801,814	-	-	2,801,814
Revenue bonds payable	-	-	4,372,603	-	-	-	4,372,603
Capital leases payable	-	-	3,115,828	-	-	-	3,115,828
OPEB obligation	-	-	-	6,844,415	-	-	6,844,415
FRS pension liability	-	-	-	-	26,269,241	-	26,269,241
Total liabilities	3,539,029	-	7,488,431	9,646,229	26,269,241	(1,253,583)	45,689,347
DEFERRED INFLOWS OF RESOURCES							
	-	-	-	-	2,652,813	-	2,652,813
Fund balances/net position	36,299,848	8,153,177	(7,488,431)	(9,646,229)	(17,359,956)	-	83,337,002
Total liabilities, deferred inflows/outflows of resources and net position	\$ 39,838,877	\$ 8,153,177	\$ -	\$ -	\$ 11,562,098	\$ (1,253,583)	\$ 131,679,162

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

The “net change in fund balances” for governmental funds \$2,479,537, differs from the “change in net position” for governmental activities \$4,979,159 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

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

Capital outlay and additions	\$ 14,101,316
Depreciation expense	(5,461,288)
Disposition of fixed assets	(628,059)
Difference	<u>\$ 8,011,969</u>

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

Debt principal payments made	<u>\$ 569,869</u>
Proceeds of long-term debt	<u>\$ (3,115,828)</u>

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.

Net change in compensated absences	<u>\$ (469,643)</u>
Net change in the obligation for post-employment benefits	<u>\$ (471,401)</u>
Change in pension liability and deferred inflows and outflows of resources	<u>\$ (2,025,344)</u>

Reclassification and Eliminations

Transfers in and transfers out in the amount of \$16,482,309 between governmental funds should be eliminated.

SUWANNEE COUNTY, FLORIDA

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

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

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	OPEB Obligation Compensated Absences	Deferred Inflows/Outflows of Resources FRS Pension	Reclassifications and Eliminations	Statement of Activities
REVENUES							
Taxes	\$ 22,336,609	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,336,609
Special assessments	2,138,539	-	-	-	-	-	2,138,539
Licenses and permits	285,872	-	-	-	-	-	285,872
Intergovernmental	20,928,438	-	-	-	-	-	20,928,438
Charges for services	6,103,501	-	-	-	-	-	6,103,501
Fines and forfeitures	359,855	-	-	-	-	-	359,855
Miscellaneous	2,161,314	-	-	-	-	-	2,161,314
Interest	158,440	-	-	-	-	-	158,440
Total revenues	54,472,568	-	-	-	-	-	54,472,568
EXPENDITURES							
Current Expenditures							
General government	7,655,068	552,272	-	178,336	385,767	-	8,771,443
Public safety	16,371,854	719,182	-	678,238	1,271,078	-	19,040,352
Physical environment	822,019	135,331	-	2,090	37,497	-	861,606
Transportation	5,785,678	3,881,360	-	(17,138)	135,080	-	9,784,980
Economic environment	1,841,166	1,034	-	94,668	2,698	-	1,939,566
Human services	1,451,364	-	-	-	-	-	1,451,364
Culture/recreation	4,608,323	172,108	-	17,841	127,578	-	4,925,850
Court related	1,825,080	-	-	(12,991)	65,646	-	1,877,735
Capital outlay							
General government	922,485	(922,485)	-	-	-	-	-
Public safety	3,625,261	(3,625,261)	-	-	-	-	-
Physical environment	1,459	(1,459)	-	-	-	-	-
Transportation	5,218,898	(5,218,898)	-	-	-	-	-
Economic environment	3,329,872	(3,329,872)	-	-	-	-	-
Human services	241,001	(241,001)	-	-	-	-	-
Culture/recreation	758,814	(758,814)	-	-	-	-	-
Court related	3,525	(3,525)	-	-	-	-	-
Debt Service							
Principal	569,869	-	(569,869)	-	-	-	-
Interest	128,092	-	-	-	-	-	128,092
Total expenditures	55,159,828	(8,640,028)	(569,869)	941,044	2,025,344	-	48,780,988
Excess of revenues over (under) expenditures	(687,260)	8,640,028	569,869	(941,044)	(2,025,344)	-	5,691,580
OTHER FINANCING SOURCES (USES)							
Proceed of long-term debt	3,115,828	-	(3,115,828)	-	-	-	-
Sale of fixed assets	83,029	(628,059)	-	-	-	-	(545,030)
Transfers in	16,482,309	-	-	-	-	(16,482,309)	-
Transfers out	(16,514,369)	-	-	-	-	16,482,309	(32,060)
Total other financing sources (uses)	3,166,797	(628,059)	(3,115,828)	-	-	-	(577,090)
Net change in fund balance	2,479,537	8,011,969	(2,545,959)	(941,044)	(2,025,344)	-	4,979,159
Fund balances at beginning of year	33,820,311	71,668,539	(4,942,472)	(2,644,171)	(15,334,612)	-	82,567,595
Prior period adjustment	-	1,851,262	-	(6,061,014)	-	-	(4,209,752)
Fund balances at end of year	\$ 36,299,848	\$ 81,531,770	\$ (7,488,431)	\$ (9,646,229)	\$ (17,359,956)	\$ -	\$ 83,337,002

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

1. Prior to July 15, the County Administrator serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.
6. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2018, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budgets are adopted on the accrual basis.
9. Legal control of the budget is exercised pursuant to applicable provisions of *Florida Statutes*.
10. Appropriations for the County lapse at the close of the fiscal year.
11. The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2018.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive</u>
Primary Government			
Enterprise Funds:			
Solid Waste Collection	\$ 2,362,714	\$ 1,858,898	\$ 503,816
Solid Waste Disposal	2,020,300	1,713,423	306,877
Water Plant	79,850	36,191	43,659
	<u>\$ 4,462,864</u>	<u>\$ 3,608,512</u>	<u>\$ 854,352</u>

Expenses include \$230,262 in depreciation and \$45,337 in tax collection fees.

NOTE 4. CASH AND CASH EQUIVALENTS

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

1. Deposits

At September 30, 2018, the carrying amount of the County's deposits was \$28,942,083. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Chief Financial Officer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Chief Financial Officer. This Trust Fund is a multiple financial institution pool and has the ability to assess its member financial institutions for collateral shortfalls if a member fails.

2. Investments

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

In accordance with generally accepted accounting principles, the County's investments are categorized to give an indication of the level of custodial credit risk assumed at year end. Category 1 includes investments that are insured or registered, or for which the securities are held by the

County or its agent in the County's name. Any investments in the Local Government Surplus Funds Trust Fund, the Florida Local Government Investment Trust Fund, money market accounts and guaranteed investment contracts would not be categorized since the investments are not evidenced by securities that exist in physical or book entry form.

Investments consist of amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund investment pool created by Sections 218.405, *Florida Statutes* and those made locally. The local investments operate under the guidelines established by Section 218.415, *Florida Statutes*.

The following is a schedule of investments held at September 30, 2018:

Investment	Maturities	Fair Value	Category
Certificates of Deposit	2 Years or less	\$ 6,916,707	1
State Board of Administration Local Government - Florida PRIME	35 Day Average	2,697,257	-
		<u>\$ 9,613,964</u>	

Florida PRIME

The County's investment in Florida PRIME is administered by the Florida State Board of Administration (SBA). Florida PRIME is an external investment pool that is not a registrant with the SEC; however, the SBA has adopted operating procedures consistent with the requirements for a SEC Rule 2a-7 fund. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general operating procedures for the administration of Florida PRIME. Additionally, the State of Florida, Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Throughout the year and as of September 30, 2018, Florida PRIME contained certain floating rate and adjustable rate securities that were indexed based on the prime rate and/or one- and three-month LIBOR. These floating rate and adjustable rate securities are used to hedge against interest risk and provide diversification to the portfolio. Exposure to a single issuer is limited to 5% of the portfolio's amortized cost. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form.

At September 30, 2018, the County had \$2,697,257 invested in Florida PRIME. Florida PRIME's most recent financial statements can be found at <https://www.sbafla.com/prime/Audits/tabid/582Default.aspx>.

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

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

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

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

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

Fair Value Measurements

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

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

As of September 30, 2018, the County's investment in the Florida PRIME investment pool is rated AAAM by Standard & Poors.

Investment Objective

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

Interest Rate Risk

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2018, is 35 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2018, is 74 days.

Foreign Currency Risk

Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2017 through September 30, 2018.

Securities Lending

Florida PRIME did not participate in a securities lending program in the period October 1, 2017 through September 30, 2018.

Fair Value Hierarchy

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

NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2017-2018 fiscal year were levied in October 2017. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2018 was as follows:

	Beginning Balance	Other Additions	Additions/ Capital Outlay	Reclassifications/ Deletions	Ending Balance
Governmental activities:					
Capital assets:					
Land and Improvements	\$ 8,399,107	\$ -	\$ 539,758	\$ -	\$ 8,938,865
Construction in progress	3,179,459	-	4,375,337	(2,857,532)	4,697,264
Infrastructure	24,630	219,472	244,167	106,612	594,881
Roads	69,888,795	1,587,950	3,667,679	2,744,293	77,888,717
Buildings and Improvements	27,788,212	43,840	1,368,608	6,627	29,207,287
Equipment	18,220,115	-	3,905,767	(3,568,317)	18,557,565
Total capital assets	127,500,318	1,851,262	14,101,316	(3,568,317)	139,884,579
Less accumulated depreciation	(55,831,779)	-	(5,461,288)	2,940,258	(58,352,809)
Governmental activities capital assets, net	\$ 71,668,539	\$ 1,851,262	\$ 8,640,028	\$ (628,059)	\$ 81,531,770
Business-type activities:					
Land	\$ 337,966	\$ -	\$ -	\$ -	\$ 337,966
Equipment	2,832,370	331,509	96,076	(781,762)	2,478,193
Collection sites	1,539,466	-	-	(47,793)	1,491,673
Landfill	3,664,145	-	-	-	3,664,145
Total capital assets	8,373,947	-	96,076	(829,555)	7,971,977
Less accumulated depreciation	(6,612,656)	-	(230,262)	545,621	(6,297,297)
Business-type activities capital assets, net	\$ 1,761,291	\$ 331,509	\$ (134,186)	\$ (283,934)	\$ 1,674,680

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

Governmental activities:	
General Government	\$ 552,272
Public Safety	719,182
Physical Environment	135,331
Transportation	3,881,360
Economic Environment	1,034
Culture/Recreation	172,109
Total depreciation expense - governmental activities	<u>\$ 5,461,288</u>
Business-type activities:	
Solid waste collection	\$ 187,727
Solid waste disposal	42,535
Total depreciation expense - business-type activities	<u>\$ 230,262</u>

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2018, were:

	Receivable	Payable
General Fund	\$ 236,766	\$ 66,564
Special Revenue Funds:		
Clerk of the Circuit Court Court Related	55,145	84,453
Clerk of the Circuit Court Noncourt Related	125,925	204,963
Fine and Forfeiture	584,630	542
Fire Protection	1,155	1,445
Inmate Welfare	5,721	-
Juror/Witness	2,668	-
Law Education	415	-
Library	3,000	-
Municipal Services	732	599
Property Appraiser Operating	-	3,304
Public Records Modernization Trust	106	4,800
Recreation	500	-
Road and Bridge	18,540	934
Sheriff Operating	-	565,636
Supervisor of Elections Operating	-	96,476
Tax Collector Operating	20,780	70,937
Teen Court	-	3
Tourist Development Trust	-	11,596
Voting Equipment	96,476	-
Agency Funds:		
Ad Valorem Tax	57,651	6,739
Civil Depositors	-	3,719
Domestic Relations	8	28
Inmate Welfare	-	5,722
Registry of the Court	77	-
Tag Agency	76	71,959
Tax Deed Agency	8	-
Proprietary Funds:		
Solid Waste Collection	242	9,424
Solid Waste Disposal	391	1,169
	<u>\$ 1,211,012</u>	<u>\$ 1,211,012</u>

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2018, consisted of the following: Transfers are used to 1) move revenues from the fund that state law requires to collect them to the fund that state law requires to expend them, 2) provide matching funds for grants, and 3) use unrestricted general fund revenues to finance transportation activities which must be accounted for in another fund.

Transfer from General Fund to:	
Special Revenue Funds	\$ 5,451,723
Enterprise Fund	32,060
Transfer from Tourist Development Fund to:	
Recreation Fund	10,000
General Fund	93,854
Transfer from Fine and Forfeiture Fund to:	
Sheriff Operating Fund	8,902,186
Clerk of Circuit Court Noncourt Related Fund	250,695
Transfer from Clerk of Circuit Court, Court Related Fund to:	
Clerk of Circuit Court Noncourt Related Fund	302,924
Transfer from Clerk of Circuit Court, Noncourt Related Fund to:	
Clerk of Circuit Court Court Related	124,526
Transfer from Emergency Management to:	
Sheriff Operating Fund	31,676
Transfer from Fire Protection Fund to:	
General Fund	1,270,683
Transfer from Property Appraiser Operating to:	
General Fund	3,304
Transfer from Supervisor of Elections Operating to:	
General Fund	40,738
	<u><u>\$ 16,514,369</u></u>

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

Receivables at September 30, 2018, were as follows:

	Accounts	Due from Other Governments	Total Receivables
Governmental Activities:			
General	\$ 340,207	\$ 3,485,510	\$ 3,825,717
Road and Bridge	-	1,210,881	1,210,881
Fine and forfeiture	-	115,000	115,000
Library	226	19,679	19,905
Fire Protection	-	6,350	6,350
Clerk of Circuit Court Court Related	-	15,555	15,555
Sheriff Operating	1,632	66,937	68,569
Other governmental	1,440	145,692	147,132
Total governmental activities	<u><u>\$ 343,505</u></u>	<u><u>\$ 5,065,604</u></u>	<u><u>\$ 5,409,109</u></u>
Business-type activities:			
Solid Waste Collection	\$ 6,493	\$ 4,348	\$ 10,841
Solid Waste Disposal	67,830	90,909	158,739
Water Plant	97	115	212
Total business-type activities	<u><u>\$ 74,420</u></u>	<u><u>\$ 95,372</u></u>	<u><u>\$ 169,580</u></u>

Payables at September 30, 2018, were as follows:

	Vendors	Salaries and Benefits	Deposits and Accrued Current Liabilities	Total Payables
Governmental Activities:				
General	\$ 1,185,923	\$ 487,393	\$ 11,397	\$ 1,684,713
Road and Bridge	48,013	44,618	-	92,631
Fine and Forfeiture	28,636	-	-	28,636
Library	19,827	28,335	-	48,162
Fire Protection	21,526	-	-	21,526
Clerk Court Related	257	16,404	9,774	26,435
Sheriff Operating	-	-	-	-
Other governmental	102,501	51,348	6,931	160,780
Total governmental activities	<u>\$ 1,406,683</u>	<u>\$ 628,098</u>	<u>\$ 28,102</u>	<u>\$ 2,062,883</u>
Business-type activities:				
Solid Waste Collection	\$ 7,682	\$ 18,486	\$ 34,183	\$ 60,351
Solid Waste Disposal	55,163	3,725	74,044	132,932
Water Plant	2,297	-	-	2,297
Total business-type activities	<u>\$ 65,142</u>	<u>\$ 22,211</u>	<u>\$ 108,227</u>	<u>\$ 195,580</u>

NOTE 10. LONG-TERM LIABILITIES

A. Governmental Activities

Notes Payable

1. First Federal Savings Bank of Florida Note Payable

In April, 2003, the Board entered into a note payable with First Federal Savings Bank of Florida (First Federal) in the amount of \$150,000, in exchange for naming rights (advertising) granted to First Federal Savings Bank of Florida on the County Recreation Sports Complex (First Federal Sportsplex) for a period of fifteen years. Principal payments of \$10,000 with accrued interest at 12% was forgiven by First Federal in exchange for these rights on an annual basis on the first day of May over the fifteen year period as long as the County complied with the terms of the agreement. This note was completely forgiven in the current year.

2. Revenue Bonds Payable – Series 2014

In February, 2014 the County entered into a loan with Capital City Bank in the amount of \$4,500,000. The loan is comprised of a tax exempt amount of \$1,850,000 and a taxable amount of \$2,650,000. The loan is repayable over the first five years in quarterly payments of \$129,430 including interest of 2.15% on the tax exempt portion and 3.25% on the taxable part. At the end of five years, interest on the remaining balance will be calculated at 70% of the Capital City Bank prime rate, adjusted annually with a floor of 3.25%. This loan is secured by a pledge of the County's Half Cent Sales Tax revenues. Proceeds of the loan are being used to finance the County's Catalyst Site economic development project. The payments due on the taxable amount of the issue at the current interest rate is as follows:

<u>FISCAL YEAR END</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
2019	\$ 48,332	\$ 263,885	\$ 312,217
2020	39,635	272,583	312,218
2021	30,435	281,782	312,217
2022	21,035	291,183	312,218
2023	11,320	300,897	312,217
2024	1,924	153,678	155,602
	<u>\$ 152,681</u>	<u>\$ 1,564,008</u>	<u>\$ 1,716,689</u>

The payments due on the tax free portion of the issue at the current interest rate is as follows:

<u>FISCAL YEAR END</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
2019	\$ 21,871	\$ 185,544	\$ 207,415
2020	17,840	189,574	207,414
2021	13,626	193,788	207,414
2022	9,367	198,047	207,414
2023	5,015	202,399	207,414
2024	849	102,616	103,465
	<u>\$ 68,568</u>	<u>\$1,071,968</u>	<u>\$1,140,536</u>

3. Revenue Bond Payable Series 2015

On July 28, 2015, the County entered into a loan with First Federal Bank of Florida in the amount of \$2,000,000. The tax-exempt bond issue is repayable in twenty-eight semi-annual payments, including interest of 2.47%. This loan is secured by a pledge of the County's Half Cent Sales Tax revenues. Proceeds of the loan were used to finance the construction of a County-owned office building. Interest on the bond issue is payable monthly, beginning September 1, 2015 through September 1, 2016. Principal and interest is due on this bond beginning each October 1, and April 1, commencing October 1, 2016. A schedule of principal and interest payments at September 30, 2018 follows:

<u>FISCAL YEAR END</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
2019	\$ 42,124	\$ 126,006	\$ 168,130
2020	39,097	129,033	168,130
2021	35,786	132,344	168,130
2022	32,497	135,633	168,130
2023	29,126	139,004	168,130
2024	25,739	142,391	168,130
2025	22,133	145,997	168,130
2026	18,504	149,626	168,130
2027	14,786	153,344	168,130
2028	11,002	157,128	168,130
2029	7,070	161,060	168,130
2030	3,067	165,061	168,128
	<u>\$ 280,931</u>	<u>\$ 1,736,627</u>	<u>\$ 2,017,558</u>

4. Capital Leases Payable

The Board has several capital leases for equipment with varying terms as follows:

Pump trucks – The Board has a lease purchase with Leasing 2 for 3 pumper trucks used by the fire department. The terms of the agreement call for 10 annual payments of \$161,429 including interest at 3.41%, beginning December 20, 2018.

Freightliner tanker trucks - The Board has a lease purchase with Leasing 2 for 2 pumper trucks used by the fire department. The terms of the agreement call for 10 annual payments of \$79,855 including interest at 3.96%, beginning October 15, 2019.

Ambulance - The Board has a lease purchase with Leasing 2 for an ambulance used by the County EMS department. The terms of the agreement call for 4 annual payments of \$147,303 including interest at 2.79%, beginning October 25, 2018.

Ambulances - The Board has a lease purchase with Leasing 2 for 2 ambulances used by the County EMS department. The terms of the agreement call for 4 annual payments of \$157,335 including interest at 3.93%, beginning October 15, 2019.

The following is a schedule of interest and principal payments under these leases:

<u>FISCAL YEAR END</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
2019	\$ 61,382	\$ 247,350	\$ 308,732
2020	105,939	439,983	545,922
2021	86,634	459,288	545,922
2022	70,792	475,130	545,922
2023	54,394	344,225	398,619
2024	41,528	199,757	241,285
2025	34,365	206,919	241,284
2026	26,945	214,340	241,285
2027	19,257	222,028	241,285
2028	11,292	229,993	241,285
2029	3,039	76,815	79,854
	<u>\$ 515,567</u>	<u>\$ 3,115,828</u>	<u>\$ 3,631,395</u>

C. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2018, was as follows:

	Balance at 09/30/17	Prior Period Adjustment	Additions	Adjustments/ Deletions	Balance at 09/30/18	Due Within One Year
Governmental activities:						
First Federal Savings						
Notes payable	\$ 10,000	\$ -	\$ -	\$ (10,000)	\$ -	
Revenue bonds payable	1,819,374	-	-	(255,366)	1,564,008	263,885
Revenue bonds payable	1,253,521	-	-	(181,553)	1,071,968	185,544
Revenue bond payable	1,859,577	-	-	(122,950)	1,736,627	126,006
Capital leases	-	-	3,115,828	-	3,115,828	247,350
	4,932,472	-	3,115,828	(569,869)	7,488,431	822,785
Other liabilities -						
Compensated absences payable						
	2,332,171	-	469,643	-	2,801,814	420,272
Other post-employment benefits	312,000	6,061,014	471,401	-	6,844,415	471,401
FRS retirement liability	25,016,720	-	1,252,521	-	26,269,241	5,386,229
	\$ 32,603,363	\$ 6,061,014	\$ 5,309,393	\$ (569,869)	\$ 43,403,901	\$ 7,100,687
Business Activities:						
Other liabilities -						
Compensated absences payable						
	\$ 76,800	\$ -	\$ 17,484	\$ -	\$ 94,284	\$ 14,143
Pension liability	681,469	-	71,202	-	752,671	223,176
Estimated liability for landfill closure	2,249,449	-	-	(69,680)	2,179,769	196,694
	\$ 3,007,718	\$ -	\$ 88,686	\$ (69,680)	\$ 3,026,724	\$ 434,013

NOTE 11. LANDFILL CLOSURE AND POSTCLOSURE COST

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

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

The \$2,179,769 reported as landfill closure and postclosure care liability at September 30, 2018, represents the cumulative amount reported to date based on the two closed landfills for 20 and 1 years, respectively, remaining for postclosure care of the landfill. These amounts are based on what it would cost to perform all annual postclosure care for the required years. Actual cost may be higher because of inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to an escrow account to finance closure and postclosure. The County is in compliance with these requirements, and at September 30, 2018, restricted cash of \$1,617,669 was held for its purpose. The County expects future inflation costs to be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (because of changes in technology or applicable laws and regulations, for example), these costs may need to be covered by charges to future landfill users or from other future revenues of the County.

NOTE 12. COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Florida Retirement System

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

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

www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

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

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33

years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

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

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

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively, were as follows: Regular—7.92% and 8.26%; Special Risk Administrative Support—34.63% and 34.98%; Special Risk—23.27% and 24.50%; Senior Management Service—22.77% and 24.06%; Elected Officers'—45.50% and 48.70%; and DROP participants—13.26% and 14.03%. These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively. Also included in the contribution rate are plan administrative and educational expenses of .06%.

The County's contributions, including employee contributions, to the Pension Plan totaled \$2,799,602 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2018, the County reported a liability of \$20,467,306 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportionate share of the net pension liability was based on the County's 2017-18 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2018, the County's proportionate share was .0716 percent, which was an increase of .002411 percent from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the County recognized pension expense of \$4,009,063. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,827,122	\$ (66,316)
Changes in assumptions	7,047,327	-
Net difference between projected and actual earnings on Pension Plan investments	-	(1,666,380)
Changes in proportion and differences between Town Pension Plan contributions and proportionate share of contributions	1,336,884	(373,043)
Town Pension Plan contributions subsequent to the measurement date	582,503	-
Total	\$ 10,793,836	\$ (2,105,739)

The deferred outflows of resources related to the Pension Plan, totaling \$582,503 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	
2018	\$ 3,140,448
2019	2,143,225
2020	298,828
2021	1,427,107
2022	954,248
Thereafter	141,738
	<u>\$ 8,105,594</u>

Actuarial Assumptions – The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.90%	2.90%	1.80%
Fixed income	18.00%	4.40%	4.30%	4.20%
Global equity	54.00%	7.60%	6.30%	17.00%
Real estate	11.00%	6.60%	6.00%	11.30%
Private equity	10.00%	10.70%	7.80%	26.50%
Strategic investments	6.00%	6.00%	57.00%	8.60%
Total	100.00%			
Assumed Inflation - mean			2.60%	1.90%

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability	\$ 39,362,246	\$ 21,567,859	\$ 6,788,567

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

Payables to the Pension Plan - At September 30, 2018, the County reported a payable in the amount of \$145,575 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2018.

HIS Plan

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

Benefits Provided - For the fiscal year ended September 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2018, the HIS contribution for the period October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 was 1.66% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$383,377 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2018, the County reported a liability of \$5,454,053 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 as the actuarial valuation is bi-annual for the HIS plan. The County's proportionate share of the net pension liability was based on the County's 2017-18 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2018, the County's proportionate share was .051531 percent, which was an increase of .002609347 percent from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the County recognized pension expense of \$456,753. In addition the County reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 83,499	\$ (9,266)
Changes in assumptions	606,558	(576,648)
Net difference between projected and actual earnings on HIS Plan investments	3,292	-
Changes in proportion and differences between Town HIS Plan contributions and proportionate share of contributions	330,077	(37,169)
Town HIS Plan contributions subsequent to the measurement date	76,116	-
Total	\$ 1,099,542	\$ (623,083)

The deferred outflows of resources related to the HIS Plan, totaling \$76,116 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending	
September 30	
2018	\$ 279,606
2019	278,573
2020	195,159
2021	43,834
2022	(272,088)
Thereafter	(124,741)
	\$ 400,343

Actuarial Assumptions – The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.87 %

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

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 3.87%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.87%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.87%) or one percentage point higher (4.87%) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
County's proportionate share of the net pension liability	\$ 6,211,847	\$ 5,454,053	\$ 4,822,388

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

Payables to the Pension Plan - At September 30, 2018, the County reported a payable in the amount of \$36,813 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2018.

Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2017-18 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 3.30%, Special Risk Administrative Support class 4.95%, Special Risk class 11.00%, Senior Management Service class 4.67% and County Elected Officers class 8.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2018, the information for the amount of forfeitures was unavailable from the FRS; however, management believes that these amounts, if any, would be immaterial to the County.

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

NOTE 13. OPERATING LEASES

The Board has several operating lease agreements for equipment, buildings and office space with noncancellable terms. These leases are considered, for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$652,883. The future minimum lease payments at September 30, 2018, are as follows:

Year Ending September 30	Minimum Lease Payment
2019	\$ 951,437
2020	969,247
2021	731,704
2022	668,628
2023	347,618
	<u>\$ 3,668,634</u>

The Board also has an operating lease agreement with Hatch Enterprises, Inc. for lime rock for the Road Department. The lease calls for monthly payments based upon tons of lime rock mined, subject to price adjustments. Lease expense for the fiscal year totaled \$92,000. Future minimum lease payments based upon the current annual payments at September 30, 2018 are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payments</u>
2019	\$ 92,000
2020	92,000
2021	92,000
2022	92,000
2023	92,000
2024-2029	1,472,000
Total	<u>\$ 1,932,000</u>

The Clerk of the Circuit Court has various leases for equipment, building and office space. These leases are considered, for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$27,538. The future minimum lease payments for these leases are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2019	\$ 25,895
2020	20,545
2121	9,676
	<u>\$ 56,116</u>

The Property Appraiser has an operating lease agreement for equipment with noncancellable terms. This lease is considered for accounting purposes to be an operating lease. Lease expenditures for the fiscal year totaled \$1,898. The future minimum payments under these leases at September 30, 2018, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2018	\$ 1,680
2019	1,680
	<u>\$ 3,360</u>

The Sheriff has several operating lease agreements for equipment with noncancellable terms. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the fiscal year totaled \$7,011. The future minimum payments under these leases at September 30, 2018, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payments</u>
2018	\$ 4,722
2019	4,370
2020	3,643
2021	914
2022	152
Total	<u>\$ 13,801</u>

The Supervisor of Elections has operating lease agreements for equipment with noncancellable terms. Lease expenditures for the fiscal year totaled \$1,434. At September 30, 2018, under the terms of these leases, the Supervisor is obligated to make future minimum lease payments as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payments</u>
2019	\$ 2,390
2020	2,390
2021	2,390
2022	598
	<u>\$ 7,768</u>

The County has entered into various other leases that are properly classified as operating leases. These leases are dependent upon future funding and require annual re-approval. Therefore, the future minimum rental payments required under these leases is \$0.

NOTE 14. FUND EQUITY

GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds are classified as follows:

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

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

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

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

Unassigned – all other spendable amounts.

Fund balances at September 30, 2018 with restrictions, consist of the following:

	Restricted	Committed	Assigned
General Fund			
Equipment replacement	\$ -	\$ -	\$ 557,974
Capital improvements	-	2,428,448	-
Florida boating revenue	73,880	-	-
Compensated absences	-	-	1,162,797
Fine and Forfeiture Fund			
Law enforcement	-	-	3,042,226
Library Fund			
Library services	2,359,500	-	-
Renovation Construction Fund			
Building improvements	-	2,052,166	-
Recreation Fund			
First Federal Sportsplex and recreation services	-	-	459,170
Municipal Services			
Juror/Witness Fund	-	-	145,589
Juror and witness management	-	-	-
Public Records Modernization Trust Fund			
Public records maintenance	146,068	-	-
Road and Bridge Fund			
Road projects	-	-	3,894,906
Road and Bridge Construction Fund			
Road projects	1,996,486	-	-
Teen Court Fund			
Teen Court services	-	-	378
911 Addressing Fund			
911 Addressing services	1,048,932	-	-
Reserve Capital Infrastructure Fund			
Capital projects	-	4,354,120	-
Tourist Development Fund			
Tourist Development	173,518	-	-
Law Education Fund			
Law education	2,259	-	-
Law Enforcement Trust Fund			
Law enforcement	281,268	-	-
Local Housing Assistance Fund			
State Program for Local Housing Assistance	168,203	-	-
Emergency Management Fund			
Emergency management services	115,411	-	-
EMS State Grant Fund			
EMS projects	292	-	-
Voting Equipment Fund			
Voting equipment	-	170,509	-
Drug Task Force			
Sheriff Drug Task Force	22,122	-	-
Federal Seizure			
Law Enforcement	83,777	-	-
Inmate Welfare Fund			
Inmate Services	-	-	203,664
Animal Control Expense Fund			
Animal Control Services	-	-	36,150
	<u>\$ 6,471,716</u>	<u>\$ 9,005,243</u>	<u>\$ 9,502,854</u>

PROPRIETARY FUNDS

The County had not established any reserves within the fund equity section of the Proprietary Funds at September 30, 2018.

NOTE 15. CONTINGENT LIABILITIES

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

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

NOTE 16. RISK MANAGEMENT

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

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

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

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

NOTE 17. CONSTRUCTION COMMITMENTS

During the year, the County had in progress several construction projects including road improvements and economic development related infrastructure. At year end, the projects were ongoing and the existing funds had been earmarked for completion of the projects.

NOTE 19. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Pursuant to Section 112.0801, *Florida Statutes*, The County is required to permit participation in the single-employer health insurance program (the "Plan") by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees.

Based on Governmental Accounting Standards Board (GASB) approval of Statement Number 75 which set for the guidelines for reporting and disclosure of Other Post-Employment Benefits (OPEB), the County had an actuary calculate future funding requirements using an appropriate actuarial cost method. The valuation was performed as of October 1, 2017 and covers the subsidies for medical benefits.

The following is a description of the plan, the plan, the contributions requirement, and a description of the benefits.

OPEB PLAN DESCRIPTION

Plan sponsor and administrator:	Suwannee County, Florida
Plan type:	Single-employer OPEB plan (unfunded)
Number of covered individuals:	359 (eight inactive employees and beneficiaries currently receiving benefits; no inactive employees entitled to but not yet receiving benefits; 351 active employees)
Contribution requirement:	With respect to Sheriff's Office retirees who have earned at least 10 years of service and who are not eligible for Medicare, retirees must contribute \$150.00 per month for single coverage plus the 100% of the additional health insurance premium for dependent coverage; with respect to all other retirees, retirees must contribute 100% of the applicable health insurance premium charged by the insurance carrier; there are no minimum required employer contributions other than the explicit subsidy that is described above.

Description of the benefit terms

Employees covered:	Regular, full-time employees of Suwannee County
Types of benefits offered:	Post-retirement healthcare benefits
Medical coverage:	Post-retirement health insurance coverage is provided to eligible individuals under the same fully-insured plan that

covers active employees: no explicit subsidy is provided to retirees other than the explicit subsidy that is described above for retirees from the Sheriff's Office who have earned at least 10 years of service; the explicit subsidy is only provided until the retiree becomes eligible for Medicare; retirees may choose from an HMO plan, an HSA plan, or a PPO plan.

Legal Authority: Under Florida State law, the County is required to offer retirees health insurance on the same basis as employees provided that the retiree pays the full premium for the relevant coverage; the explicit subsidy may be eliminated or changed at any time.

Changes: The benefit terms did not change from the prior measurement date.

The following is a schedule of Changes in the Net OPEB Liability:

	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance as of September 30,2017	\$ 6,373,014	\$ -	\$ 6,373,014
Change due to:			
Service cost	514,067	-	514,067
Expected interest growth	245,492	-	245,492
Unexpected investment income	-	-	-
Demographic experience	-	-	-
Employer contributions	-	-	-
Employee contributions	-	-	-
Benefit payments & refunds	(288,158)	-	(288,158)
Administrative expenses	-	-	-
Changes in benefit terms	-	-	-
Assumption changes	-	-	-
Balance as of September 30,2018	<u>\$ 6,844,415</u>	<u>\$ -</u>	<u>\$ 6,844,415</u>

Sensitivity of the County's Proportionate Share of the OPEB Liability to Changes in the Discount Rate - The following represents the County's OPEB liability calculated using alternative discount rates and alternative healthcare cost trend rates. The first table shows the discount rate of 3.64%, as well as what the County's OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate. The second table shows the current healthcare rate as well as what the County's OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	<u>Discount Rate Minus 1%</u>	<u>3.64% Discount Rate</u>	<u>Discount Rate Plus 1%</u>
Total OPEB Liability	\$ 6,048,713	\$ 6,844,415	\$ 7,790,872
Less fiduciary net position	-	-	-
Net OPEB Liability	<u>\$ 6,048,713</u>	<u>\$ 6,844,415</u>	<u>\$ 7,790,872</u>

	Trend Rates Minus 1%	8% graded down to 5.00%	Trend Rates Plus 1.00%
Total OPEB Liability	\$ 7,545,462	\$ 6,844,415	\$ 6,228,815
Less fiduciary net position	-	-	-
Net OPEB Liability	\$ 7,545,462	\$ 6,844,415	\$ 6,228,815

The following are schedules of the Net OPEB Liability, the fiscal year OPEB expense, the expense as related to the beginning and ending net OPEB liability and historical trend information.

NET OPEB LIABILITY AS OF SEPTEMBER 30, 2018

Total OPEB liability	\$ 6,844,415 *
Less fiduciary net position	-
Net OPEB liability	\$ 6,844,415 **

* This amount has been rolled forward from October 1, 2018.

** This amount is recognized on the employer's balance sheet.

OPEB EXPENSE FOR THE 2017/18 FISCAL YEAR

Service cost	\$ 514,067
Other recognized changes in net pension liability	
Expected interest growth	245,492
Investment gain/loss	-
Demographic gain/loss	-
Employee contributions	-
Benefit payments & refunds	(288,158)
Administrative expenses	-
Changes in benefit terms	-
Assumption changes	-
OPEB expense	\$ 471,401 *

* This amount is recognized on the employer's income statement

BALANCE EQUATION

Net OPEB liability as of September 30, 2017	\$ 6,373,014
Plus OPEB expense for the 2017/18 fiscal year	471,401
Minus employer contribution for the 2017/18 fiscal year	-
Plus OPEB expense for the 2017/18 fiscal year	-
Minus change in balance of deferred inflows of resources	-
Net OPEB liability as of September 30, 2018	\$ 6,844,415

Historical Trend Information

Measurement Date	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Funded Percentage	Covered Payroll	Net OPEB Liability as a % of Covered Payroll
September 30, 2017	\$ 6,844,415	\$ -	\$ 6,844,415	0.00%	\$ 13,359,624	51.23%
September 30, 2018	\$ 6,373,014	\$ -	\$ 6,373,014	0.00%	\$ 13,359,624	47.70%

HISTORICAL TREND INFORMATION (continued)

Changes in the net OPEB liability by source

Fiscal Year	Service Cost	Expected Interest Growth	Unexpected Investment Income	Demographic Experience	Employer Contributions	Employee Contributions	Benefit Payments & Refunds	Administrative Expenses	Changes in Benefit Terms	Assumption Changes
2017/18	\$ 514,067	\$ 245,492	\$ -	\$ -	\$ -	\$ -	\$ (288,158)	\$ -	\$ -	\$ -

The following is information on the information and assumptions used to determine the OPEB liability:

INFORMATION USED TO DETERMINE THE NET OPEB LIABILITY

Employer's reporting date: September 30, 2018

Measurement date: September 30, 2018

Actuarial valuation date: October 1, 2017

Actuarial assumptions

Discount rate: 3.64% per annum; this rate was used to discount all future benefit payments and is based on the return of the S&P Municipal Bond 20-year High Grade Index as of the measurement date.

Salary increases: 3.00% per annum

Cost-of-living increases: Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.

Healthcare cost trend rates: Increases in healthcare costs are assumed to be 8.00% for the 2017/18 fiscal year graded down by 0.50% per year to 5.00% for the 2023/24 and later fiscal years.

Age-related morbidity: Healthcare costs are assumed to increase at the rate of 3.50% for each year of age.

Implied subsidy: Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy has been assumed; for the 2017/18 fiscal year at age 62, the implied subsidy is \$450.00 for the retiree and \$475.00 for the retiree's spouse under the HMO plan, \$675 for the retiree and \$475.00 for the retiree's spouse under the HSA plan, and \$475 for the retiree and \$500.00 for the retiree's spouse under the PPO plan; at other ages, the implied subsidy was developed based on the age-related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates; the implied subsidy is assumed to disappear at age 65.

Mortality basis: Sex-distinct rates set forth in the RP-2000 Combined Mortality Table (for general employees) or the RP-2000 Blue Collar Mortality Table (for police officers), both with full generational improvements in mortality using Scale BB

Retirement: For general employees hired prior to July, 2011, retirement is assumed to occur at age 62 with six years of service or at any age with 30 years of service; for general employees hired after June, 2011,

retirement is assumed to occur at age 65 with six years of service or at any age with 33 years of service; For police officers hired prior to July, 2011, retirement is assumed to occur at age 55 with six years of service or at any age with 25 years of service; for police officers hired after June, 2011, retirement is assumed to occur at age 60 with eight years of service or at any age with 30 years of service;

Other decrements: Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 1 for general employees and Class 4 for police officers).

Coverage election: A percentage of eligible employees are assumed to elect medical coverage until age 65 upon retirement or disability; this percentage is 100% with respect to employees of the Sheriff's Office who have earned at least 10 years of service, 25% with respect to all other police officers, and 10% with respect to all other general employees; coverage for spouses has been assumed in accordance with the employees' current election

Spousal age: Husbands are assumed to be three years older than wives.

There were no deferred inflows or outflows for the OPEB plan in the current year or in previous years.

NOTE 20. PRIOR PERIOD ADJUSTMENT

In the current year a prior period adjustments were made to fixed assets to record an increase in balances, based upon an inventory and an extensive reconciliation to the accounting records. The following is a schedule of the adjustments:

	Governmental Capital Assets	Enterprise Capital Assets
Beginning net assets of governmental activities	\$ 71,668,539	\$ 1,761,291
Adjustment to fixed assets	-	47,577
Adjustment to accumulated depreciation	1,851,262	-
Beginning net assets of governmental activities as restated	<u>\$ 73,519,801</u>	<u>\$ 1,808,868</u>

Also, due to the Board's implementation of GASB 75, the beginning balance of the OPEB liability was increased to reflect the actuarially revised estimate of that liability at September 30, 2017 as follows:

	OPEB Liability
Beginning OPEB liability	\$ 312,000
Prior period adjustment to net position	6,061,014
OPEB liability as restated	<u>\$ 6,373,014</u>

REQUIRED SUPPLEMENTARY INFORMATION

SUWANNEE COUNTY, FLORIDA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 8,557,649	\$ 8,557,649	\$ 9,018,897	\$ 461,248
Licenses and permits	23,725	23,725	33,962	10,237
Intergovernmental	13,252,725	13,252,725	10,955,981	(2,296,744)
Charges for services	1,941,748	1,941,748	2,811,609	869,861
Fines and forfeitures	11,200	11,200	16,497	5,297
Miscellaneous	1,209,626	1,209,626	1,470,997	261,371
Interest	13,469	13,469	27,205	13,736
Total revenues	25,010,142	25,010,142	24,335,148	(674,994)
EXPENDITURES				
Current expenditures				
General government	4,478,894	4,481,894	3,889,483	592,411
Public safety	5,691,334	5,691,334	5,667,986	23,348
Physical environment	673,091	673,091	822,019	(148,928)
Transportation	329,876	329,876	265,538	64,338
Economic environment	2,225,231	2,225,231	1,211,304	1,013,927
Human services	1,360,995	1,360,995	1,444,009	(83,014)
Culture / recreation	-	-	-	-
Court related	20,768	20,768	20,768	-
Capital outlay				
General government	1,102,849	1,102,849	741,414	361,435
Public safety	-	-	1,126,883	(1,126,883)
Physical environment	1,440	1,440	1,459	(19)
Transportation	782,000	782,000	723,650	58,350
Economic environment	6,060,957	6,060,957	3,329,872	2,731,085
Human services	241,001	241,001	241,001	-
Debt service				
Principal	569,869	569,869	569,869	-
Interest	127,892	127,892	127,933	(41)
Total expenditures	23,666,197	23,669,197	20,183,188	3,486,009
Excess of revenues over (under) expenditures	1,343,945	1,340,945	4,151,960	2,811,015
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	-	-	1,120,454	-
Interfund transfers in	1,352,351	1,352,351	1,364,537	12,186
Interfund transfers out	(5,420,908)	(5,420,908)	(5,483,783)	(62,875)
Total other financing sources (uses)	(4,068,557)	(4,068,557)	(2,998,792)	(50,689)
Net change in fund balance	(2,724,612)	(2,727,612)	1,153,168	3,880,780
Fund balance at beginning of year	12,764,310	12,764,310	12,764,310	-
Fund balance at end of year	\$ 10,039,698	\$ 10,036,698	\$ 13,917,478	\$ 3,880,780

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,872,046	\$ 2,872,046	\$ 3,233,261	\$ 361,215
Licenses and permits	11,700	11,700	5,485	(6,215)
Intergovernmental	8,934,448	8,934,448	4,902,894	(4,031,554)
Charges for services	455,150	455,050	414,377	(40,673)
Miscellaneous	5,100	5,100	116,498	111,398
Interest	-	-	49,591	49,591
Total revenues	12,278,444	12,278,344	8,722,106	(3,556,238)
EXPENDITURES				
Current expenditures				
Transportation	6,749,526	6,346,996	5,500,428	846,568
Capital outlay				
Transportation	8,270,248	7,742,624	4,424,930	3,317,694
Total expenditures	15,019,774	14,089,620	9,925,358	4,164,262
Excess of revenues over (under) expenditures	(2,741,330)	(1,811,276)	(1,203,252)	608,024
OTHER FINANCING SOURCES				
Sale of equipment	330,000	-	83,029	83,029
Interfund transfers in	389,874	889,031	998,031	109,000
Total other financing sources	719,874	889,031	1,081,060	192,029
Net change in fund balance	(2,021,456)	(922,245)	(122,192)	800,053
Fund balance at beginning of year	4,017,097	4,017,097	4,017,097	-
Fund balance at end of year	\$ 1,995,641	\$ 3,094,852	\$ 3,894,905	\$ 800,053

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**FINE AND FORFEITURE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,569,288	\$ 9,569,288	\$ 9,797,365	\$ 228,077
Intergovernmental	477,250	477,250	531,250	54,000
Charges for services	95,095	95,095	121,720	26,625
Fines and forfeitures	96,070	96,070	99,388	3,318
Miscellaneous	46,400	46,400	46,438	38
Total revenues	10,284,103	10,284,103	10,596,161	312,058
EXPENDITURES				
Current expenditures				
General government	2,500	1,202	1,201	1
Public safety	449,548	479,668	479,667	1
Court related	441,369	348,285	348,280	5
Total expenditures	893,417	829,155	829,148	7
Excess of revenues over expenditures	9,390,686	9,454,948	9,767,013	312,065
OTHER FINANCING USES				
Interfund transfers out	(9,718,517)	(9,158,672)	(9,152,881)	5,791
Net change in fund balance	(327,831)	296,276	614,132	317,856
Fund balance at beginning of year	2,428,094	2,428,094	2,428,094	-
Fund balance at end of year	\$ 2,100,263	\$ 2,724,370	\$ 3,042,226	\$ 317,856

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
State grants				
Culture/recreation				
Aid to libraries	\$ 500,000	\$ 500,000	\$ 622,063	\$ 122,063
Regional state aid to libraries	350,000	350,000	350,000	-
Other governmental grants	-	-	21,179	21,179
Grants from other local units				
Culture/recreation				
Hamilton County	642,000	642,000	630,360	(11,640)
Madison County	642,499	642,499	610,213	(32,286)
Total intergovernmental revenue	<u>2,134,499</u>	<u>2,134,499</u>	<u>2,233,815</u>	<u>99,316</u>
Charges for services	<u>110,000</u>	<u>110,000</u>	<u>111,000</u>	<u>1,000</u>
Fines and forfeitures				
Library fines				
Library fines	23,000	23,000	20,705	(2,295)
Library fees	7,000	7,000	7,133	133
Total fines and forfeitures	<u>30,000</u>	<u>30,000</u>	<u>27,838</u>	<u>(2,162)</u>
Miscellaneous				
Other miscellaneous				
Other contributions	2,550	2,550	3,039	489
Other miscellaneous	37,175	37,175	73,085	35,910
Total miscellaneous	<u>39,725</u>	<u>39,725</u>	<u>76,124</u>	<u>36,399</u>
Total revenues	<u>2,314,224</u>	<u>2,314,224</u>	<u>2,448,777</u>	<u>134,553</u>
EXPENDITURES				
Culture/recreation				
Library Suwannee				
Personnel services	706,530	660,136	660,136	-
Operating expenses	1,166,253	1,119,433	1,119,433	-
Capital outlay	40,000	71,606	71,606	-
Total library	<u>1,912,783</u>	<u>1,851,175</u>	<u>1,851,175</u>	<u>-</u>

(Continued)

SUWANNEE COUNTY, FLORIDA

**LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Final	Final		
Library Madison				
Personnel services	\$ 332,893	\$ 281,528	\$ 281,528	\$ -
Operating expenses	315,935	317,662	317,662	-
Capital outlay	23,575	3,031	3,031	-
Total Madison County library	672,403	602,221	602,221	-
Regional State Aid				
Personnel services	501,761	439,278	439,278	-
Operating expenses	-	24	24	-
Total regional state aid	501,761	439,302	439,302	-
Library Hamilton				
Personnel services	419,363	336,619	336,619	-
Operating expenses	262,708	280,657	280,657	-
Capital outlay	8,200	5,369	5,369	-
Total Hamilton County library	690,271	622,645	622,645	-
Other Library Services				
Operating expenses	35,000	-	-	-
Capital outlay	460,000	220,619	-	220,619
Total other library services	495,000	220,619	-	220,619
Total expenditures	4,272,218	3,735,962	3,515,343	220,619
Excess of revenues over (under) expenditures	(1,957,994)	(1,421,738)	(1,066,566)	355,172
OTHER FINANCING SOURCES				
Interfund transfer in				
Transfers from general fund	1,143,809	1,143,809	1,143,809	-
Net change in fund balance	(814,185)	(277,929)	77,243	355,172
Fund balance at beginning of year	2,282,345	2,282,345	2,282,345	-
Fund balance at end of year	\$1,468,160	\$ 2,004,416	\$ 2,359,588	\$ 355,172

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**FIRE PROTECTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Special assessments	\$ 1,816,650	\$ 1,816,650	\$ 2,138,539	\$ 321,889
Intergovernmental	36,572	36,572	8,800	(27,772)
Charges for services	-	-	16,192	16,192
Miscellaneous	-	-	5,300	5,300
Interest	1,896	1,896	2,407	511
Total revenues	<u>1,855,118</u>	<u>1,855,118</u>	<u>2,171,238</u>	<u>316,120</u>
EXPENDITURES				
Current expenditures				
Public safety	593,460	573,768	573,763	5
Capital outlay				
Public safety	314,958	81,715	2,077,089	(1,995,374)
Debt service				
Interest	159	159	159	-
Total expenditures	<u>908,577</u>	<u>655,642</u>	<u>2,651,011</u>	<u>(1,995,369)</u>
Excess of revenues over (under) expenditures	<u>946,541</u>	<u>1,199,476</u>	<u>(479,773)</u>	<u>(1,679,249)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	-	-	1,995,374	1,995,374
Interfund transfers in	-	21,920	21,920	-
Interfund transfers out	(1,270,683)	(1,270,683)	(1,270,683)	-
Total other financing sources (uses)	<u>(1,270,683)</u>	<u>(1,248,763)</u>	<u>746,611</u>	<u>1,995,374</u>
Net change in fund balance	(324,142)	(49,287)	266,838	316,125
Fund balance at beginning of year	1,079,898	2,282,345	1,358,730	-
Fund balance at end of year	<u>\$ 755,756</u>	<u>\$ 2,233,058</u>	<u>\$ 1,625,568</u>	<u>\$ 316,125</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
COURT RELATED FUND
COMBINED STATEMENT OF REVENUES ,EXPENDITURES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 445,724	\$ 445,724	\$ 221,872	\$ (223,852)
Charges for services	719,300	719,300	801,273	81,973
Fines and forfeitures	57,000	57,000	178,880	121,880
Miscellaneous	18,500	18,500	-	(18,500)
Interest	-	-	7,158	7,158
Total revenues	1,240,524	1,240,524	1,209,183	(31,341)
EXPENDITURES				
Current expenditures				
Court related	1,129,499	1,129,499	1,089,489	40,010
Total expenditures	1,129,499	1,129,499	1,089,489	40,010
Excess of revenues over (under) expenditures	111,025	111,025	119,694	8,669
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	128,477	128,477	183,230	54,753
Interfund transfers out	(239,502)	(239,502)	(302,924)	(63,422)
Total other financing sources (uses)	(111,025)	(111,025)	(119,694)	(8,669)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 219,097	\$ 219,097
Charges for services	-	-	10,521	10,521
Miscellaneous	-	-	24,322	24,322
Interest	-	-	2,141	2,141
Total revenues	-	-	256,081	256,081
EXPENDITURES				
Current expenditures				
Public safety	8,953,317	8,953,317	8,848,349	104,968
Capital outlay				
Public safety	217,505	217,505	341,595	(124,090)
Total expenditures	9,170,822	9,170,822	9,189,944	(19,122)
Excess of revenues over (under) expenditures	(9,170,822)	(9,170,822)	(8,933,863)	236,959
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	9,170,822	9,170,822	8,933,863	(236,959)
Total other financing sources	9,170,822	9,170,822	8,933,863	(236,959)
Net change in fund balances	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**RESERVE CAPITAL INFRASTRUCTURE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 14,200	\$ 14,200	\$ 35,724	\$ 21,524
Total revenues	<u>14,200</u>	<u>14,200</u>	<u>35,724</u>	<u>21,524</u>
EXPENDITURES				
Current expenditures				
General government	60	60	62	(2)
Total expenditures	<u>60</u>	<u>60</u>	<u>62</u>	<u>(2)</u>
Excess of revenues over expenditures	<u>14,140</u>	<u>14,140</u>	<u>35,662</u>	<u>21,522</u>
Net change in fund balance	14,140	14,140	35,662	21,522
Fund balance at beginning of year	<u>4,318,458</u>	<u>4,318,458</u>	<u>4,318,458</u>	-
Fund balance at end of year	<u>\$ 4,332,598</u>	<u>\$ 4,332,598</u>	<u>\$ 4,354,120</u>	<u>\$ 21,522</u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**ROAD AND BRIDGE CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ -	\$ -	\$ 5,525	\$ 5,525
Interest	-	-	1,998	1,998
Total revenues	-	-	7,523	7,523
EXPENDITURES				
Capital outlay				
Transportation	-	70,318	70,318	-
Total expenditures	-	70,318	70,318	-
Net change in fund balance	-	(70,318)	(62,795)	7,523
Fund balance at beginning of year	2,059,281	2,059,281	2,059,281	-
Fund balance at end of year	<u>\$ 2,059,281</u>	<u>\$ 1,988,963</u>	<u>\$ 1,996,486</u>	<u>\$ 7,523</u>

See notes to financial statements.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability					
Retirement	0.0761%	0.0692%	0.0694%	0.0647%	0.0613%
Health insurance subsidy	0.0515%	0.0489%	0.0487%	0.0479%	0.0475%
County's proportionate share of the net pension liability					
Retirement	\$ 21,567,859	\$ 20,467,306	\$ 17,529,170	\$ 8,357,337	\$ 3,740,280
Health insurance subsidy	5,454,053	5,230,883	5,680,113	4,886,732	4,442,614
Total	<u>\$ 27,021,912</u>	<u>\$ 25,698,189</u>	<u>\$ 23,209,283</u>	<u>\$ 13,244,069</u>	<u>\$ 8,182,894</u>
County's covered payroll	\$ 17,552,740	\$ 16,080,215	\$ 15,782,452	\$ 15,447,533	\$14,919,721
County's proportionate share of the net pension liability as a percentage of its covered employee payroll					
FRS	122.87%	127.28%	111.07%	54.10%	25.07%
HIS	31.07%	32.53%	35.99%	31.63%	29.78%
Total	153.95%	159.81%	147.06%	85.74%	54.85%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	79.00%	92.00%	96.09%

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

See notes to the required supplementary information.

**SUWANNEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions					
Pension plan	\$ 2,799,602	\$ 2,492,219	\$ 2,405,289	\$ 1,712,712	\$ 960,232
Health insurance subsidy	383,377	358,211	359,411	211,846	118,771
	<u>\$ 3,182,979</u>	<u>\$ 2,850,430</u>	<u>\$ 2,764,700</u>	<u>\$ 1,924,558</u>	<u>\$ 1,079,003</u>
Contributions in relation to the contractually required contributions	\$ 3,182,979	\$ 2,850,430	\$ 2,764,700	\$ 1,924,558	\$ 1,768,532
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 17,552,740	\$ 16,080,215	\$ 15,782,452	\$ 15,447,533	\$ 14,919,721
Contributions as a percentage of covered employee payroll					
FRS	15.95%	15.50%	15.24%	11.09%	6.44%
HIS	2.18%	2.23%	2.28%	1.37%	0.80%
Total	18.13%	17.73%	17.52%	12.46%	7.23%

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

See notes to the required supplementary information.

SUWANNEE COUNTY, FLORIDA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY, THE PLAN'S FIDUCIARY NET POSITION,
THE NET OPEB LIABILITY AS A PERCENTAGE OF COVERED PAYROLL AND CHANGES IN THE OPEB
LIABILITY BY SOURCE

For the Fiscal Year Ended September 30, 2018

	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance as of September 30, 2017	\$ 6,373,014	\$ -	\$ 6,373,014
Change due to:			
Service cost	514,067	-	514,067
Expected interest growth	245,492	-	245,492
Unexpected investment income	-	-	-
Demographic experience	-	-	-
Employer contributions	-	-	-
Employee contributions	-	-	-
Benefit payments & refunds	(288,158)	-	(288,158)
Administrative expenses	-	-	-
Changes in benefit terms	-	-	-
Assumption changes	-	-	-
Balance as of September 30, 2018	<u>\$ 6,844,415</u>	<u>\$ -</u>	<u>\$ 6,844,415</u>

Measurement Date	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Funded Percentage	Covered Payroll	Net OPEB Liability as a % of Covered Payroll
September 30, 2017	\$ 6,844,415	\$ -	\$ 6,844,415	0.00%	\$ 13,359,624	51.23%
September 30, 2018	\$ 6,373,014	\$ -	\$ 6,373,014	0.00%	\$ 13,359,624	47.70%

Changes in the net OPEB liability by source

Fiscal Year	Service Cost	Expected Interest Growth	Unexpected Investment Income	Demographic Experience	Employer Contributions	Employee Contributions	Benefit Payments & Refunds	Administrative Expenses	Changes in Benefit Terms	Assumption Changes
2017/18	\$ 514,067.00	\$ 245,492.00	\$ -	\$ -	\$ -	\$ -	\$(288,158.00)	\$ -	\$ -	\$ -

GASB requires 10 year information for these tables. Only one year information is available at September 30, 2018.

SUWANNEE COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended September 30, 2018

NOTE 1. BUDGETARY INFORMATION

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

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

1. Prior to September 30, the County Administrator, serving as Budget Officer, submits to the Board of County Commissioners (BOCC) a tentative budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the BOCC to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the BOCC.
4. The Constitutional Officers submit, at various times prior to September 30, to the BOCC and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and Property Appraiser, which are classified as separate special revenue funds.
6. The BOCC is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund, or appropriate for special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental and enterprise funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2018 are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis.
9. Enterprise fund budgets are adopted on the accrual basis except that depreciation is not budgeted.
10. Legal control of the budget is exercised pursuant to applicable provisions of the *Florida Statutes*.
11. Appropriations for the County lapse at the close of the fiscal year.

NOTE 2. Pension Plan:

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2018, are shown below:

	<u>FRS</u>	<u>HIS</u>
Total Pension Liability	\$ 191,317,399	\$ 10,816,576
Plan fiduciary net position	(161,196,881)	(232,463)
Net Pension Liability	<u>\$ 30,120,518</u>	<u>\$ 10,584,113</u>

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

84.26%

2.15%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2018. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS actuarial valuation was prepared as of July 1, 2018. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2015, 2016, 2017 and 2018, respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years 2015 through 2018, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

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

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and

contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

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

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.60%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 7.00%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.87% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the Generational RP-2000 with Projection Scale BB tables (refer to the valuation reports for more information – See Additional Financial and Actuarial Information).

The following changes in actuarial assumptions occurred in 2018:

- **FRS:** The inflation rate assumption remained at 2.60%, the real payroll growth assumption remained at 0.65%, and the overall payroll growth rate assumption remained at 3.25%. The long-term expected rate of return decreased from 7.10% in 2017 to 7.00% for 2018.
- **HIS:** The municipal bonds rate used to determine total pension liability was increased from 3.58% to 3.87%.

INFORMATION USED TO DETERMINE THE NET OPEB LIABILITY

Employer's reporting date:	September 30, 2018
Measurement date:	September 30, 2018
Actuarial valuation date:	October 1, 2017
<u>Actuarial assumptions</u>	
Discount rate:	3.64% per annum; this rate was used to discount all future benefit payments and is based on the return of the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
Salary increases:	3.00% per annum
Cost-of-living increases:	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.
Healthcare cost trend rates:	Increases in healthcare costs are assumed to be 8.00% for the 2017/18 fiscal year graded down by 0.50% per year to 5.00% for the 2023/24 and later fiscal years.
Age-related morbidity:	Healthcare costs are assumed to increase at the rate of 3.50% for each year of age.
Implied subsidy:	Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy has been assumed; for the 2017/18 fiscal year at age 62, the implied subsidy is \$450.00 for the retiree and \$475.00 for the retiree's spouse under the HMO plan, \$675 for the retiree and \$475.00 for the retiree's spouse under the HSA plan, AND \$475 for the retiree and \$500.00 for the retiree's spouse under the PPO plan; at other ages, the implied subsidy was developed based on the age-related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates; the implied subsidy is assumed to disappear at age 65.
Mortality basis:	Sex-distinct rates set forth in the RP-2000 Combined Mortality Table (for general employees) or the RP-2000 Blue Collar Mortality Table (for police officers), both with full generational improvements in mortality using Scale BB
Retirement:	For general employees hired prior to July, 2011, retirement is assumed to occur at age 62 with six years of service or at any age with 30 years of service; for general employees hired after June, 2011, retirement is assumed to occur at age 65 with six years of service or at any age with 33 years of service; For police officers hired prior to July, 2011, retirement is assumed to occur at age 55 with six years of service or at any age with 25 years of service; for police officers hired after June, 2011, retirement is assumed to occur at age 60 with eight years of service or at any age with 30 years of service;
Other decrements:	Assumed employment termination is based on the

Coverage election: Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 1 for general employees and Class 4 for police officers). A percentage of eligible employees are assumed to elect medical coverage until age 65 upon retirement or disability; this percentage is 100% with respect to employees of the Sheriff's Office who have earned at least 10 years of service, 25% with respect to all other police officers, and 10% with respect to all other general employees; coverage for spouses has been assumed in accordance with the employees' current election

Spousal age: Husbands are assumed to be three years older than wives.

There were no deferred inflows or outflows for the OPEB plan in the current year or in previous years.

COMBINING STATEMENTS

**SUWANNEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

September 30, 2018

	Special Revenue Funds										
	Clerk of the Circuit Court				Property Appraiser	Sheriff				Supervisor of Elections	Tax Collector
	Noncourt Related Operating		Public Records Moderniza- tion Trust	Teen Court	Operating	Drug Task Force	Federal Seizure	Inmate Welfare	Animal Control Expense	Operating	Operating
	Juror/Witness	Operating	tion Trust	Court	Operating	Task Force	Seizure	Welfare	Expense	Operating	Operating
ASSETS											
Current Assets											
Cash	\$ 2,050	\$ 135,622	\$ 160,920	\$ 381	\$ 22,325	\$ 22,122	\$ 83,777	\$ 197,943	\$ 36,150	\$ 166,836	\$ 43,335
Accounts receivable	-	1,030	-	-	-	-	-	-	-	-	70
Due from other funds	2,668	125,925	106	-	-	-	5,721	-	-	-	20,780
Due from other governmental units	204	-	-	-	-	-	-	-	-	-	5,455
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	15,059
Total assets	\$ 4,922	\$ 262,577	\$ 161,026	\$ 381	\$ 22,325	\$ 22,122	\$ 83,777	\$ 203,664	\$ 36,150	\$ 166,836	\$ 84,699
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Current Liabilities											
Accounts payable	\$ -	\$ 9,176	\$ 6,705	\$ -	\$ 14,041	-	\$ -	\$ -	\$ -	\$ 27,505	\$ 1,116
Accrued liabilities	-	6,490	441	-	4,547	-	-	-	-	721	456
Accrued wages	-	12,741	2,772	-	-	-	-	-	-	-	9,356
Due to other funds	-	204,963	4,800	3	3,304	-	-	-	-	96,476	70,937
Due to other governmental units	-	29,207	240	-	433	-	-	-	-	-	825
Unearned revenues	-	-	-	-	-	-	-	-	-	42,134	-
Other current liabilities	4,922	-	-	-	-	-	-	-	-	-	2,009
Total liabilities	4,922	262,577	14,958	3	22,325	-	-	-	-	166,836	84,699
FUND BALANCES											
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	146,068	-	-	22,122	83,777	-	-	-	-
Assigned	-	-	-	378	-	-	-	203,664	36,150	-	-
Committed	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	-	-	146,068	378	-	22,122	83,777	203,664	36,150	-	-
Total liabilities and fund balances	\$ 4,922	\$ 262,577	\$ 161,026	\$ 381	\$ 22,325	\$ 22,122	\$ 83,777	\$ 203,664	\$ 36,150	\$ 166,836	\$ 84,699

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2018**

Special Revenue Funds

Capital Projects Fund

	Board of County Commissioners											
	Special Revenue Funds							Capital Projects Fund				Total Nonmajor Funds
	911 Addressing	Emergency Management	EMS State Grant	Law Education	Law Enforcement	Local Housing Assistance	Municipal Services	Recreation	Tourist Development Trust	Voting Equipment	Renovation Construction	
ASSETS												
Current Assets												
Cash	\$ 1,019,021	\$ 115,411	\$ 292	\$ 1,844	\$ 281,268	\$ 146,170	\$ 149,045	\$ 476,574	\$ 193,942	\$ 74,033	\$ 1,992,544	\$ 5,321,605
Accounts receivable	-	-	-	-	-	-	340	-	-	-	-	1,440
Due from other funds	-	-	-	415	-	-	732	500	-	96,476	-	253,323
Due from other governmental units	31,917	-	-	-	-	22,033	534	140	25,787	-	59,622	145,692
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	15,059
Total assets	\$ 1,050,938	\$ 115,411	\$ 292	\$ 2,259	\$ 281,268	\$ 168,203	\$ 150,651	\$ 477,214	\$ 219,729	\$ 170,509	\$ 2,052,166	\$ 5,737,119
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current Liabilities												
Accounts payable	\$ 1,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 736	\$ 7,571	\$ 34,615	\$ -	\$ -	\$ 102,501
Accrued liabilities	131	-	-	-	-	-	398	1,553	-	-	-	14,737
Accrued wages	839	-	-	-	-	-	2,582	8,321	-	-	-	36,611
Due to other funds	-	-	-	-	-	-	-	599	11,596	-	-	392,678
Due to other governmental units	-	-	-	-	-	-	1,346	-	-	-	-	32,051
Unearned revenues	-	-	-	-	-	-	-	-	-	-	-	42,134
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	6,931
Total liabilities	2,006	-	-	-	-	-	5,062	18,044	46,211	-	-	627,643
FUND BALANCES												
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	1,048,932	115,411	292	2,259	281,268	168,203	-	-	173,518	-	-	2,041,850
Assigned	-	-	-	-	-	-	145,589	459,170	-	-	-	844,951
Committed	-	-	-	-	-	-	-	-	-	170,509	2,052,166	2,222,675
Total fund balances	1,048,932	115,411	292	2,259	281,268	168,203	145,589	459,170	173,518	170,509	2,052,166	5,109,476
Total liabilities and fund balances	\$ 1,050,938	\$ 115,411	\$ 292	\$ 2,259	\$ 281,268	\$ 168,203	\$ 150,651	\$ 477,214	\$ 219,729	\$ 170,509	\$ 2,052,166	\$ 5,737,119

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2018**

	Special Revenue Funds										
	Clerk of the Circuit Court				Property Appraiser	Sheriff				Supervisor of Elections	Tax Collector
	Juror/Witness	Public Records Modernization Trust			Teen Court	Drug Task Force	Federal Seizure	Inmate Welfare	Animal Control Expense	Operating	Operating
		Noncourt Related Operating	Trust	Trust							
REVENUES											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	41,057	-	-	-	-	-	60,537	-	-
Charges for services	-	169,847	72,721	11,081	24,316	-	-	-	-	-	1,097,511
Fines and forfeitures	-	-	9,103	-	-	18,052	10,097	-	-	-	-
Miscellaneous	-	2,915	12,280	-	4,623	300	-	133,814	37,963	34,399	1,097
Interest	-	147	-	-	13	151	115	-	-	12	1,177
Total revenues	-	172,909	135,161	11,081	28,952	18,503	10,212	133,814	37,963	94,948	1,099,785
EXPENDITURES											
Current Expenditures											
General government	-	1,140,114	-	-	1,078,969	-	-	-	-	465,834	1,079,237
Public safety	-	-	-	-	-	139,078	-	80,441	1,813	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-
Court related	7,795	-	347,758	10,990	-	-	-	-	-	-	-
Capital outlay											
General government	-	-	-	-	16,627	-	-	-	-	72,396	20,548
Public safety	-	-	-	-	-	-	-	79,694	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-
Court related	-	-	3,525	-	-	-	-	-	-	-	-
Total expenditures	7,795	1,140,114	351,283	10,990	1,095,596	139,078	-	160,135	1,813	538,230	1,099,785
Excess of revenues over (under) expenditures	(7,795)	(967,205)	(216,122)	91	(1,066,644)	(120,575)	10,212	(26,321)	36,150	(443,282)	-
OTHER FINANCING SOURCES (USES)											
Interfund transfers in	-	1,091,731	250,695	-	1,069,948	-	-	-	-	484,020	-
Interfund transfers out	-	(124,526)	-	-	(3,304)	-	-	-	-	(40,738)	-
Total other financing sources (uses)	-	967,205	250,695	-	1,066,644	-	-	-	-	443,282	-
Net changes in fund balances	(7,795)	-	34,573	91	-	(120,575)	10,212	(26,321)	36,150	-	-
Fund balances at beginning of year	7,795	-	111,495	287	-	142,697	73,565	229,985	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ 146,068	\$ 378	\$ -	\$ 22,122	\$ 83,777	\$ 203,664	\$ 36,150	\$ -	\$ -

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2018**

	Special Revenue Funds									Capital Projects Fund	Total Nonmajor Funds	
	911 Addressing	Emergency Management	EMS State Grant	Law Education	Law Enforcement	Local Housing Assistance	Municipal Services	Recreation	Tourist Development Trust	Voting Equipment		Renovation Construction
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281,561	\$ -	\$ -	\$ 281,561
Licenses and permits	-	-	-	-	-	-	246,425	-	-	-	-	246,425
Intergovernmental	55,734	154,378	-	-	-	350,000	2,654	804,540	-	23,577	362,252	1,854,729
Charges for services	190,359	-	-	5,974	-	-	-	245,000	-	-	-	1,816,809
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	37,252
Miscellaneous	7,528	-	-	-	129,768	-	2,612	52,794	1,500	-	-	421,593
Interest	974	93	-	-	241	27,179	-	-	213	130	1,771	32,216
Total revenues	254,595	154,471	-	5,974	130,009	377,179	251,691	1,102,334	283,274	23,707	364,023	4,690,585
EXPENDITURES												
Current Expenditures												
General government	-	-	-	-	-	-	-	-	-	168	-	3,764,322
Public safety	198,145	118,643	-	10,064	41,515	-	212,390	-	-	-	-	802,089
Economic environment	-	-	-	-	-	388,090	-	-	241,772	-	-	629,862
Human services	-	-	-	-	-	-	-	-	-	-	7,355	7,355
Culture/recreation	-	-	-	-	-	-	-	1,192,697	-	-	-	1,192,697
Court related	-	-	-	-	-	-	-	-	-	-	-	366,543
Capital outlay												
General government	-	-	-	-	-	-	-	-	-	71,500	-	181,071
Public safety	-	-	-	-	-	-	-	-	-	-	-	79,694
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	678,809	-	-	-	678,809
Court related	-	-	-	-	-	-	-	-	-	-	-	3,525
Total expenditures	198,145	118,643	-	10,064	41,515	388,090	212,390	1,871,506	241,772	71,668	7,355	7,705,967
Excess of revenues over (under) expenditures	56,450	35,828	-	(4,090)	88,494	(10,911)	39,301	(769,172)	41,502	(47,961)	356,668	(3,015,382)
OTHER FINANCING SOURCES (USES)												
Interfund transfers in	-	36,140	-	-	-	-	5,000	858,647	-	40,738	-	3,836,919
Interfund transfers out	-	(31,676)	-	-	-	-	-	-	(103,854)	-	-	(304,098)
Total other financing sources (uses)	-	4,464	-	-	-	-	5,000	858,647	(103,854)	40,738	-	3,532,821
Net changes in fund balances	56,450	40,292	-	(4,090)	88,494	(10,911)	44,301	89,475	(62,352)	(7,223)	356,668	517,439
Fund balances at beginning of year	992,482	75,119	292	6,349	192,774	179,114	101,288	369,695	235,870	177,732	1,695,498	4,592,037
Fund balances at end of year	<u>\$ 1,048,932</u>	<u>\$ 115,411</u>	<u>\$ 292</u>	<u>\$ 2,259</u>	<u>\$ 281,268</u>	<u>\$ 168,203</u>	<u>\$ 145,589</u>	<u>\$ 459,170</u>	<u>\$ 173,518</u>	<u>\$ 170,509</u>	<u>\$ 2,052,166</u>	<u>\$ 5,109,476</u>
See notes to financial statements.												

SINGLE AUDIT AND COMPLIANCE SECTION

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

To the Board of County Commissioners
and Constitutional Officers
Suwannee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Suwannee County, Florida, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Suwannee County, Florida's basic financial statements, and have issued our report thereon dated June 15, 2019.

Internal Control Over Financial Reporting

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

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

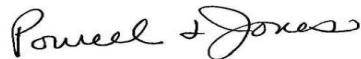
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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



POWELL & JONES
Certified Public Accountants
June 15, 2019

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE OMB UNIFORM GUIDANCE

To the Board of County Commissioners
and Constitutional Officers
Suwannee County, Florida

Report on Compliance for Each Major Federal Program

We have audited the Suwannee County, Florida's compliance with the types of compliance requirements described in the *OMB Uniform Guidance* that could have a direct and material effect on each of the Suwannee County, Florida's major federal programs for the year ended September 30, 2018. Suwannee County, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Suwannee County, Florida's major federal and state programs 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 the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance)*. Those standards, and the *OMB Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Suwannee County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Suwannee County, Florida, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

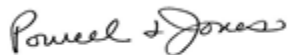
Report on Internal Control Over Compliance

Management of the Suwannee County, Florida, 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 Suwannee County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *OMB Uniform Guidance*, 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 Suwannee County, Florida's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 *OMB Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.



POWELL & JONES
Certified Public Accountants
June 15, 2019

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

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

Report on Compliance for Each Major State Project

We have audited the compliance of Suwannee County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2018. Suwannee County, Florida's major State project is identified in the summary of auditors' results section of the accompanying Schedule of Findings.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on Suwannee County, Florida's compliance for each major State Project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Those standards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about Suwannee County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State Project. However, our audit does not provide a legal determination of Suwannee County, Florida's compliance.

Opinion on Each Major State Project

In our opinion, Suwannee County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State projects for the fiscal year ended September 30, 2018.

Other Matters

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

Internal Control Over Compliance

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

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

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

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



POWELL & JONES, CPAs
June 15, 2019

SUWANNEE COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2018

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	UNEARNED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	UNEARNED REVENUES
FEDERAL AWARDS								
U.S. Department of Agriculture								
passed through the Florida Forest Service								
Division of Forestry Grant								
Volunteer Fire Assistance Grant	10.664	NA	\$ 5,020	\$ -	\$ -	\$ 5,020	\$ 10,276	\$ -
US Department of Housing and Urban Development								
passed through Florida Department of Economic Opportunity								
Community Development Block Grant	14.228	17DB-OK-03-71-01-E	1,819,948	26,787	-	241,001	241,001	-
Community Development Block Grant	14.228	16DB-OK-03-71-01-H	750,000	52,117	-	216,240	216,240	-
Total U.S. Department of Housing and Urban Development			<u>2,569,948</u>	<u>78,904</u>	<u>-</u>	<u>457,241</u>	<u>457,241</u>	<u>-</u>
US Department of Justice								
passed through the State of Florida Attorney General								
Victim of Crime Act								
Drug Task Force	16.575	VOCA-2017-Suwannee County Sheriff-00087	47,850	-	-	37,504	37,504	-
passed through Florida Department of Law Enforcement								
Drug Task Force	16.738	2017-JAGC-SUWA-1-F9-139	33,657	-	-	5,791	5,791	-
Total U.S. Department of Justice			<u>81,507</u>	<u>-</u>	<u>-</u>	<u>43,295</u>	<u>43,295</u>	<u>-</u>
US Department of Transportation								
passed through the Florida Department of Transportation								
Airport Improvement Program: West Apron Expansion								
Airport Improvement Program: West Apron Expansion	20.106	3-12-0043-012-2017	475,076	-	-	475,076	475,076	-
Highway Planning and Construction Grant	20.106	3-12-0043-013-2018	140,033	-	-	140,033	140,033	-
National Highway Safety Administration Grants:	20.205	G06669	10,000	-	-	2,184	2,184	-
Operation Sober	20.616	M5HVE-18-06-18 GOP65	25,000	-	-	8,786	8,786	-
Safety Belt	20.616	M2HVE-18-20-12 GOQ61	15,000	-	-	14,938	14,938	-
Speed/Aggressive Driving	20.600	GOQ12	20,000	-	-	17,956	17,956	-
Total U.S. Department of Transportation			<u>60,000</u>	<u>-</u>	<u>-</u>	<u>658,974</u>	<u>658,973</u>	<u>-</u>
US Elections Assistance Commission								
Passed through the Florida Department of State Division of Elections								
Help America Vote Act	90.401	2018-2019-001	6,364	-	-	1,415	1,415	-
Help America Vote Act	90.401	2018-2020	23,577	-	-	23,577	23,577	-
Elections Security Funds	90.401	2018-2019-001	76,246	-	-	45,670	45,670	-
Albert Network Monitoring Solution Grant	90.401	19.a.an.000 030	13,451	-	-	13,451	13,451	-
Total U.S. Elections Assistance Commission			<u>89,697</u>	<u>-</u>	<u>-</u>	<u>84,113</u>	<u>84,113</u>	<u>-</u>
US Department of Health and Human Services								
Passed through the Florida Department of Revenue								
Title IV-D Funds	93.563	2017-2018	212,347	-	-	212,347	212,347	-
Total U.S. Department of Health and Human Services			<u>212,347</u>	<u>-</u>	<u>-</u>	<u>212,347</u>	<u>212,347</u>	<u>-</u>
U.S. Department of Homeland Security								
passed through the Florida Division of Emergency Management								
Emergency Management Performance grant								
FY17-18 Emergency Management Performance Grant	97.042	18-FG-7A-02-75-01-045	48,572	-	-	48,572	48,572	-
FY17-18 Emergency Management Performance Grant	97.042	18-FG-7A-03-71-01-045	48,572	-	-	28,020	28,020	-
FY18-19 Emergency Management Performance Grant	97.042	18-FG-AF-03-71-01-083	48,649	-	-	8,068	8,068	-
Total US Department of Homeland Security			<u>145,793</u>	<u>-</u>	<u>-</u>	<u>84,660</u>	<u>84,660</u>	<u>-</u>
Total Federal Awards			<u>\$ 3,164,312</u>	<u>\$ 78,904</u>	<u>\$ -</u>	<u>\$ 1,545,650</u>	<u>\$ 1,550,905</u>	<u>\$ -</u>

(Continued)

SUWANNEE COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2018

State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	UNEARNED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	UNEARNED REVENUES
STATE OF FLORIDA FINANCIAL ASSISTANCE								
Division of Emergency Management								
Emergency Management Program	31.063	18-BG-83-03-71-01-068	\$ 105,806	\$ -	\$ -	\$ 105,806	\$ 105,806	\$ -
Emergency Management Program	31.063	18-BG-W9-03-71-01-071	105,806	-	-	48,040	48,040	-
Emergency Management Program	31.063	19-BG-21-03-71-01-029	105,806	-	-	23,263	23,263	-
Total Division of Emergency Management			<u>105,806</u>	<u>-</u>	<u>-</u>	<u>177,109</u>	<u>177,109</u>	<u>-</u>
Department of Environmental Protection								
Small County Solid Waste Grant Agreement	37.012	SC828	90,909	-	-	90,909	90,909	-
Florida Recreation Development Assistance Program Phase II	37.017	A16025	50,000	-	-	50,000	52,264	-
Florida Recreation Development Assistance Program Phase I	37.017	A16016	50,000	-	-	50,000	50,000	-
Florida Recreation Development Assistance Program Unique Ability	37.017	U7012	500,000	-	-	500,000	500,000	-
Florida Springs Grant Program	37.052	LP61040	2,780,000	-	-	58,180	58,180	-
Total Department of Environmental Protection			<u>3,470,909</u>	<u>-</u>	<u>-</u>	<u>749,089</u>	<u>751,353</u>	<u>-</u>
Florida Department of Economic Opportunity								
Rural Infrastructure Fund	40.012	D0096	1,363,039	-	-	386,275	386,274	-
Florida Job Growth Infrastructure	40.043	G0028	3,125,000	-	-	26,580	26,580	-
Total Florida Department of Economic Opportunity			<u>4,488,039</u>	<u>-</u>	<u>-</u>	<u>412,855</u>	<u>412,854</u>	<u>-</u>
Department of State								
Division of Library Information Services								
Library Services and Technology Act Grant: Mobile	45.310	18-LSTA-B-13	11,100	-	-	10,360	10,360	-
Library Services and Technology Act Grant: Heritage	45.310	18-LSTA-B-12	10,574	-	-	9,319	9,319	-
State Aid to Libraries Operating/Equalization Grant-County	45.030	18-ST-82	622,063	-	-	622,063	622,063	-
State Aid to Libraries Operating/Equalization Grant-Regional	45.030	18-ST-79	350,000	-	-	350,000	350,000	-
Total Department of State			<u>993,737</u>	<u>-</u>	<u>-</u>	<u>991,742</u>	<u>991,742</u>	<u>-</u>
Florida Department of Education								
Coach Aaron Feis Guardian Program	48.140	615-90210-9D001	110,984	-	-	26,330	26,330	-
Florida Housing Finance Corporation								
State Housing Initiatives Program								
SHIP Funds 2018	52.901	2017/2018	350,000	-	-	350,000	50,000	300,000
Total State Housing Initiatives Program			<u>350,000</u>	<u>-</u>	<u>-</u>	<u>350,000</u>	<u>50,000</u>	<u>300,000</u>
Florida Department of Transportation								
Public Transportation Joint Participation Agreements								
Economic Development Transportation Projects								
Aviation Grant Program: Design & Construct Fuel Farm (JET-A)	55.004	AR095	250,000	13,500	-	19,440	19,440	-
Aviation Grant Program: West Apron Development	55.004	GOP05	59,040	-	-	59,040	59,040	-
Aviation Grant Program: Purchase Apron Tug and Upgrade/Replace AWOS	55.004	GOD70	82,700	44,967	-	5,015	5,015	-
			<u>391,740</u>	<u>58,467</u>	<u>-</u>	<u>83,495</u>	<u>83,495</u>	<u>-</u>

(Continued)

SUWANNEE COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2018

State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	UNEARNED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	UNEARNED REVENUES
Florida Department of Transportation (Continued)								
Public Transportation Joint Participation Agreements								
County Incentive Grant Program	55.008	AR115	\$ 3,959,630	\$ 3,583,486	\$ -	\$ 300,015	\$ 300,015	\$ -
Small County Outreach Program Grant (SCOP)	55.009	G0614	1,500,000	1,281,549	-	338,156	338,156	-
Small County Outreach Program Grant (SCOP)	55.009	ARQ17	1,004,205	180,766	-	1,625,333	1,625,333	-
Small County Outreach Program Grant (SCOP)	55.009	G0617	1,820,000	1,473,659	-	481,521	481,521	-
			<u>4,324,205</u>	<u>2,935,974</u>	<u>-</u>	<u>2,445,010</u>	<u>2,445,010</u>	<u>-</u>
Small County Road Assistance Program (SCRAP)	55.016	G0188	1,047,500	70,706	-	852,337	852,337	-
State Highway Project Reimbursement Turn Lanes on SR 10/US90	55.023	AQ113	1,637,706	166,480	-	1,457,487	1,457,487	-
Economic Development Transportation Fund 169th Road	55.032	AQY06	3,000,000	1,593,583	-	1,336,107	1,336,107	-
Total Florida Department of Transportation			<u>14,360,781</u>	<u>8,408,696</u>	<u>-</u>	<u>6,474,451</u>	<u>6,474,451</u>	<u>-</u>
Department of Management Services/Wireless 911 Board								
Text 911 Special Funding	72.001	18-04-25	55,734	-	-	55,734	55,734	-
911 Wireless Surcharge	72.002		122,226	-	-	122,226	122,226	-
911 Wireless Surcharge	72.002		68,133	-	-	68,133	68,133	-
Total Department of Management Services/Wireless 911 Board			<u>190,359</u>	<u>-</u>	<u>-</u>	<u>246,093</u>	<u>246,093</u>	<u>-</u>
Total State Financial Assistance			<u>\$ 24,070,615</u>	<u>\$ 8,408,696</u>	<u>\$ -</u>	<u>\$ 9,427,668</u>	<u>\$ 9,129,932</u>	<u>\$ 300,000</u>

See notes to schedule of expenditures of federal awards and state financial assistance.

SUWANNEE COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the Single Audit Report of Suwannee County, Florida, (the "County") have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General.

A. Reporting Entity

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

B. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state award activity of Suwannee County, Florida, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

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

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

**SUWANNEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2018**

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? No
- Reportable condition identified not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? No
- Reportable condition identified not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR200.516(a) No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
14.228	<u>U.S. Department of Housing and Urban Development</u> Community Development Block Grant
20.106	<u>U.S. Department of Transportation</u> Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? No

Financial Statement Findings

None

Federal Award Findings and Questioned Costs

None

(Continued)

**SUWANNEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS (Continued)
For the Fiscal Year Ended September 30, 2018**

State Financial Assistance

Internal control over major projects:

- Material weakness identified? No
- Reportable condition identified that are not considered to be material weaknesses? None reported

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

Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, *Rules of the Auditor General*? No

Identification of major projects:

<u>CSFA Number</u>	<u>Name of State Projects</u>
31.063	<u>Division of Emergency Management</u> Emergency Management Program
37.052	<u>Department of Environmental Protection</u> Florida Springs Program
37.017	Florida Recreation Development Assistance Program
40.012	<u>Department of Economic Opportunity</u> Rural Infrastructure Fund
55.032	<u>Department of Transportation</u> Economic Development Transportation Fund
55.023	State Highway Project Reimbursement
55.016	Small County Road Assistance

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

Financial Statement Findings

None

State Financial Assistance Findings and Questioned Costs

None

MANAGEMENT LETTER

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

We have audited the financial statements of the Suwannee County, Florida, as of and for the year ended September 30, 2018, and have issued our report thereon dated June 15, 2019.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on 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*, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated June 15, 2019, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

BOARD OF COUNTY COMMISSIONERS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

CLERK OF THE CIRCUIT COURT

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

PROPERTY APPRAISER

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SHERIFF

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SUPERVISOR OF ELECTIONS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

TAX COLLECTOR

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Suwannee County, Florida, for the year ended September 30, 2018.

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

Financial Condition Assessment Procedures – As required by the *Rules of the Auditor General*, Sections 10.554(1)(i)5.c and 10.556(7), we applied financial condition assessment procedures to the County's financial statements. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Deteriorating Financial Conditions as defined by Rule 10.554(2)(f):

We noted no deteriorating financial condition within the County during the year.

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



POWELL & JONES
Certified Public Accountants
June 15, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of County Commissioners
Suwannee County, Florida

We have examined the Suwannee County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Section 61.181 *Florida Statutes*, regarding alimony and child support payments and Section 28.35 and 28.36 *Florida Statutes* as to the following during the fiscal year ended September 30, 2018:

- a. The budget and performance standards developed and certified by the Florida Clerk of Courts Operations Corporation and Sections 28.35, 28.36 and 61.181 *Florida Statutes*.

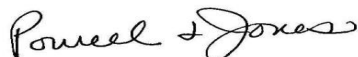
We also examined the County's compliance with Sections 365.172(10) and 365.173(2)(d) *Florida Statutes* and requirements specified by the E911 Board grant and special disbursement programs. These laws require that E911 fee revenues, interest, and E911 grant funding to be used to pay for authorized expenditures as specified in the *Statutes*.

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

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's and the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the County's and the Clerk's compliance with specified requirements.

In our opinion, Suwannee County, Florida and the Suwannee County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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



POWELL & JONES
Certified Public Accountants
June 15, 2019

CLERK OF THE CIRCUIT COURT

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2018

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**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Honorable Clerk of the Circuit Court
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

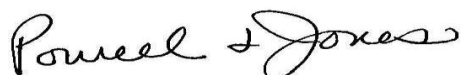
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Suwannee County Clerk of the Circuit Court, as of September 30, 2018, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 18, 2019, on our consideration of the Clerk of the Circuit Courts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk of the Circuit Courts' internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
January 18, 2019

COMBINED FINANCIAL STATEMENTS

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINED BALANCE SHEET – ALL FUND TYPES
September 30, 2018**

	Governmental Funds		Fiduciary Funds	Totals
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Current assets				
Cash	\$160,102	\$ 298,975	\$ 659,879	\$ 1,118,956
Accounts receivable		\$ 1,030		
Due from other funds	55,145	73,446	93	128,684
Due from other governmental units	15,470	55,457	-	70,927
Total assets	\$230,717	\$428,908	\$659,972	\$ 1,319,597
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 257	\$ 15,881	\$ -	\$ 16,138
Due to individuals	174	-	436,643	436,817
Accrued liabilities	24,820	27,366	-	52,186
Due to other funds	72,805	55,851	28	128,684
Due to Board of County Commissioners	1,039	-	-	1,039
Due to other governmental units	131,622	183,361	-	314,983
Deposits	-	-	223,301	223,301
Total liabilities	230,717	282,459	659,972	1,173,148
FUND BALANCES				
Restricted	-	146,068	-	146,068
Assigned	-	379	-	379
Total fund balances	-	146,447	-	146,447
Total liabilities and fund balance	\$230,717	\$428,906	\$659,972	\$ 1,319,595

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINED STATEMENT T OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
For the Fiscal Year Ended September 30, 2018**

	General Fund	Special Revenue Funds	Totals
REVENUES			
Intergovernmental	\$ 261,137	\$ -	\$ 261,137
Charges for services	689,719	318,902	1,008,621
Fines	247,644	-	247,644
Miscellaneous	10,682	291	10,973
Total revenues	<u>1,209,182</u>	<u>319,193</u>	<u>1,528,375</u>
EXPENDITURES			
Current expenditures			
General government	-	1,140,114	1,140,114
Court related	1,089,489	370,068	1,459,557
Total expenditures	<u>1,089,489</u>	<u>1,510,182</u>	<u>2,599,671</u>
Excess of revenues over (under) expenditures	<u>119,693</u>	<u>(1,190,989)</u>	<u>(1,071,296)</u>
OTHER FINANCING SOURCES (USES)			
Transfer from Board of County Commissioners			
	58,705	1,039,502	1,098,207
Interfund transfers in	124,526	302,924	427,450
Interfund transfers out	(302,924)	(124,526)	(427,450)
Total other financing sources (uses)	<u>(119,693)</u>	<u>1,217,900</u>	<u>1,098,207</u>
Net change in fund balances	-	26,911	26,911
Fund balances at beginning of year	-	119,536	119,536
Fund balances at end of year	<u>\$ -</u>	<u>\$ 146,447</u>	<u>\$ 146,447</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL AND SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2018**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ 444,476	\$ 261,137	\$(183,339)	\$ 50,048	\$ -	\$ (50,048)
Charges for services	703,800	689,719	(14,081)	212,489	318,902	106,413
Fines	97,500	247,644	150,144	-	-	-
Miscellaneous	18,500	10,682	(7,818)	3,726	291	(3,435)
Total revenues	1,264,276	1,209,182	(55,094)	266,263	319,193	52,930
EXPENDITURES						
Current expenditures						
General government	-	-	-	1,208,273	1,140,114	68,159
Court related	1,089,489	1,089,489	-	362,233	370,068	(7,835)
Total expenditures	1,089,489	1,089,489	-	1,570,506	1,510,182	60,324
Excess of revenues over (under) expenditures	174,787	119,693	(55,094)	(1,304,243)	(1,190,989)	113,254
OTHER FINANCING SOURCES (USES)						
Transfers in from Board of County Commissioners						
Commissioners	128,137	183,231	55,094	250,695	612,918	362,223
Interfund transfers in	-	-	-	1,122,982	729,508	(393,474)
Interfund transfers out	(302,924)	(302,924)	-	(69,434)	(124,526)	(55,092)
Total after financing sources (uses)	(174,787)	(119,693)	55,094	1,304,243	1,217,900	(86,343)
Net change in fund balances	-	-	-	-	26,911	26,911
Fund balance at beginning of year	-	-	-	119,536	119,536	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ 119,536	\$ 146,447	\$ 26,911

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Clerk are as follows:

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2018, the Clerk maintained the following Special Revenue Funds:

- Jury and Witness Fund
- Public Records Modernization Trust Fund
- Teen Court Fund
- Non-Court Related Operating Fund

(ii) **Fiduciary Funds**

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

Domestic Relations Fund
Tax Deed Fund
Registry of Court Fund

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

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

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2018, the book balance of the Clerk's deposits was \$1,118,956 and the bank balances were \$1,141,115. This bank balance was covered by federal depository insurance and pledged collateral from various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

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

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the County's capital assets records, except for any infrastructure fixed assets which the County has

elected not to report. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been provided on the County's capital assets in the governmental funds. Assets purchased by the Clerk of the Circuit Court are reported in the County's capital assets.

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$158,294 is reported in governmental long-term liabilities of Suwannee County, Florida.

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

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

NOTE 2. PENSION PLAN

Plan Description - The Clerk contributes to the Florida Retirement System (System), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee non-contributory through June 30, 2011. Effective July 2011, employees are required to contribute 3% of their gross wages. The Clerk is required to contribute at an actuarially determined rate. The rates at September 30, 2018 were as follows: Regular Employees 8.26%; Senior Management 24.06%; Elected Officials 48.70%, and employees electing the DROP Program 14.03%. The contribution requirements of plan members and the Clerk are established and may be amended by the Florida Legislature. The Clerk's contributions to the System for the years ending September 30, 2018, 2017 and 2016 were \$218,454, \$210,835,

and \$206,546 respectively, equal to the required contributions for each year. Full information on the System is contained in the Suwannee County County-wide Financial Report.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2018, were:

	Interfund Receivables	Interfund Payables
General Fund	\$ 55,145	\$ 72,705
Public Records Modernization	6	651
Trust Fund	-	2
Domestic Relations Fund	8	28
Tax Deed Fund	8	-
Registry of Court Fund	77	-
Non-Court Related Operating Fund	70,672	55,198
Jury and witness	2,668	-
	<u>\$ 128,584</u>	<u>\$ 128,584</u>

NOTE 4. LEASE COMMITMENTS

The Clerk has various leases for equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the fiscal year totaled \$27,539. Future minimum lease payments for these leases are as follows:

Year Ending September 30	Minimum Lease Payments
2019	\$ 25,895
2020	20,245
2021	9,676
	<u>\$ 55,816</u>

NOTE 5. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds are classified as follows:

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

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

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

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

Unassigned - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2018:

	<u>Assigned</u>	<u>Restricted</u>
Public Records		
Modernization Trust	\$ -	\$ 146,068
Teen Court	379	-
	<u>\$ 379</u>	<u>\$ 146,068</u>

COMBINING AND INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GENERAL FUND
BALANCE SHEET
September 30, 2018**

ASSETS

Current assets	
Cash	\$ 160,102
Due from other funds	55,145
Due from State	15,470
Total assets	<u>\$ 230,717</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities	
Accounts payable	\$ 257
Accrued liabilities	24,820
Due to individuals	174
Due to Board of County Commissioners	1,039
Due to other governmental units	131,622
Due to other funds	72,805
Total liabilities	<u>230,717</u>
Fund balance	-
Total liabilities and fund balance	<u>\$ 230,717</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final		
REVENUES				
Intergovernmental				
Federal grants				
Title IV-D	\$ 250,019	\$ 250,019	\$ 212,347	\$ (37,672)
State grants				
State court reimbursement	195,705	195,705	48,790	(146,915)
Total intergovernmental	<u>445,724</u>	<u>445,724</u>	<u>261,137</u>	<u>(184,587)</u>
Charges for services				
County criminal	171,000	171,000	223,535	52,535
Circuit criminal	52,500	52,500	54,555	2,055
Circuit civil	78,500	78,500	79,625	1,125
Probate	32,500	32,500	34,396	1,896
County civil	149,500	149,500	161,144	11,644
Civil traffic	235,300	235,300	136,464	(98,836)
Total charges for services	<u>719,300</u>	<u>719,300</u>	<u>689,719</u>	<u>(29,581)</u>
Fines				
Circuit criminal	-	-	50,751	50,751
County civil and traffic	57,000	57,000	196,893	139,893
Total fines	<u>57,000</u>	<u>57,000</u>	<u>247,644</u>	<u>190,644</u>
Miscellaneous				
Bond estreatures	10,000	10,000	-	(10,000)
Child support clerk fee	3,000	3,000	3,523	523
Interest	5,500	5,500	7,159	1,659
	<u>18,500</u>	<u>18,500</u>	<u>10,682</u>	<u>(7,818)</u>
Total revenues	<u>1,240,524</u>	<u>1,240,524</u>	<u>1,209,182</u>	<u>(31,342)</u>
EXPENDITURES				
Court related				
Personnel services	1,042,939	1,042,939	755,543	287,396
Operating expenses	86,560	86,560	333,946	(247,386)
Total expenditures	<u>1,129,499</u>	<u>1,129,499</u>	<u>1,089,489</u>	<u>40,010</u>
Excess of revenues over (under) expenditures	<u>111,025</u>	<u>111,025</u>	<u>119,693</u>	<u>8,668</u>
OTHER FINANCING SOURCES (USES)				
Transfer in from other funds				
Transfer in from Board of County Commissioners	128,477	128,477	183,231	54,754
Operating transfers out	(239,502)	(239,502)	(302,924)	(63,422)
Total other financing sources (uses)	<u>(111,025)</u>	<u>(111,025)</u>	<u>(119,693)</u>	<u>(8,668)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SPECIAL REVENUE FUNDS

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2018**

	Noncourt Related Operating	Public Records Modernization Trust	Jury and Witness	Teen Court	Totals
ASSETS					
Current assets					
Cash	\$ 135,622	\$ 160,920	\$ 2,050	\$ 381	\$ 298,973
Accounts receivable	1,030	-	-	-	1,030
Due from other funds	70,672	106	2,668	-	73,446
Due from other governmental units	55,253	-	204	-	55,457
Total assets	\$ 262,577	\$ 161,026	\$ 4,922	\$ 381	\$ 428,906
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Current liabilities					
Accounts payable	\$ 9,176	\$ 6,705	\$ -	\$ -	\$ 15,881
Accrued liabilities	19,231	3,213	4,922	-	27,366
Due to other funds	55,198	651	-	2	55,851
Due to other governmental units	178,972	4,389	-	-	183,361
Total liabilities	262,577	14,958	4,922	2	282,459
FUND BALANCES					
Restricted	-	146,068	-	-	146,068
Assigned	-	-	-	379	379
Total fund balances	-	146,068	-	379	146,447
Total liabilities and fund balances	\$ 262,577	\$ 161,026	\$ 4,922	\$ 381	\$ 428,906

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2018**

	Noncourt Related Operating	Public Records Modernization Trust	Jury and Witness	Teen Court	Totals
REVENUES					
Charges for services					
County officer fees	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	-	72,723	-	11,081	83,804
Recording	1,103	-	-	-	1,103
Certified copies	122,329	-	-	-	122,329
Passport	15,890	-	-	-	15,890
Documentary stamps	6,750	-	-	-	6,750
Intangible tax	1,047	-	-	-	1,047
Marriage licenses	7,040	-	-	-	7,040
Tax deed sales	14,118	-	-	-	14,118
Information technology	-	41,057	-	-	41,057
Microfilming	600	12,280	-	-	12,880
Other	3,741	9,143	-	-	12,884
Total charges for services	172,618	135,203	-	11,081	318,902
Miscellaneous					
Miscellaneous revenue	145	-	-	-	145
Interest	146	-	-	-	146
Total miscellaneous	291	-	-	-	291
Total revenues	172,909	135,203	-	11,081	319,193
EXPENDITURES					
General government					
Clerk to board					
Personnel services	319,565	-	-	-	319,565
Operating expenses	137,384	-	-	-	137,384
Total Clerk to Board	456,949	-	-	-	456,949

(Continued)

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2018**

	Noncourt Related Operating	Public Records Modernization Trust	Jury and Witness	Teen Court	Totals
Official records					
Personnel services	\$ 177,832	\$ -	\$ -	\$ -	\$ 177,832
Operating expenses	203,235	-	-	-	203,235
Capital outlay	-	-	-	-	-
Total official records	<u>381,067</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>381,067</u>
Teen court					
Operating expenses	-	-	-	10,990	10,990
Total teen court	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,990</u>	<u>10,990</u>
Noncourt related information technology					
Personnel services	-	147,255	-	-	147,255
Operating expenses	-	200,503	7,795	-	208,298
Capital outlay	-	3,525	-	-	3,525
Total noncourt related information technology	<u>-</u>	<u>351,283</u>	<u>7,795</u>	<u>-</u>	<u>359,078</u>
Noncourt administration					
Personnel services	216,965	-	-	-	216,965
Operating expenses	85,133	-	-	-	85,133
Total noncourt administration	<u>302,098</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>302,098</u>
Total expenditures	<u>1,140,114</u>	<u>351,283</u>	<u>7,795</u>	<u>10,990</u>	<u>1,510,182</u>
Excess of revenues over (under) expenditures	<u>(967,205)</u>	<u>(216,080)</u>	<u>(7,795)</u>	<u>91</u>	<u>(1,190,989)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	302,924	-	-	-	302,924
Operating transfers out	(124,526)	-	-	-	(124,526)
Transfers from Board of County Commissioners	788,807	250,695	-	-	1,039,502
Total other financing sources (uses)	<u>967,205</u>	<u>250,695</u>	<u>-</u>	<u>-</u>	<u>1,217,900</u>
Net change in fund balances	-	34,615	(7,795)	91	26,911
Fund balances at beginning of year	-	111,453	7,795	288	119,536
Fund balances at end of year	<u>\$ -</u>	<u>\$ 146,068</u>	<u>\$ -</u>	<u>\$ 379</u>	<u>\$ 146,447</u>

See notes to financial statements.

AGENCY FUNDS

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2018**

	<u>Domestic Relations</u>	<u>Tax Deed</u>	<u>Registry</u>	<u>Total</u>
ASSETS				
Cash	\$ 20	\$ 223,293	\$ 436,566	\$ 659,879
Due from individuals	-	-	-	-
Due from other funds	8	8	77	93
Total assets	<u><u>\$ 28</u></u>	<u><u>\$ 223,301</u></u>	<u><u>\$ 436,643</u></u>	<u><u>\$ 659,972</u></u>
LIABILITIES				
Due to individuals	\$ -	\$ -	\$ 436,643	\$ 436,643
Due to other funds	28	-	-	28
Deposits	-	223,301	-	223,301
Total liabilities	<u><u>\$ 28</u></u>	<u><u>\$ 223,301</u></u>	<u><u>\$ 436,643</u></u>	<u><u>\$ 659,972</u></u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

For the Fiscal Year Ended September 30, 2018

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
DOMESTIC RELATIONS				
ASSETS				
Cash	\$ -	\$ 16,791	\$ 16,771	\$ 20
Due from individuals	52	52	104	-
Due from other funds	64	16	72	8
Due from other government:	-	6,052	6,052	-
Total assets	\$ 116	\$ 22,911	\$ 22,999	\$ 28
Liabilities				
Due to individuals	\$ 95	\$ -	\$ 95	\$ -
Due to other funds	21	646	639	28
Deposits	-	-	-	-
Total liabilities	\$ 116	\$ 646	\$ 734	\$ 28
TAX DEED				
ASSETS				
Cash	\$ 259,375	\$ 904,698	\$ 940,780	\$ 223,293
Due from other funds	7	123	122	8
Total assets	\$ 259,382	\$ 904,821	\$ 940,902	\$ 223,301
Liabilities				
Deposits	\$ 259,382	\$ 1,082,599	\$ 1,118,680	\$ 223,301
Total liabilities	\$ 259,382	\$ 1,082,599	\$ 1,118,680	\$ 223,301
REGISTRY OF COURT				
ASSETS				
Cash	\$ 450,475	\$ 931,813	\$ 945,722	\$ 436,566
Due from other funds	45	552	520	77
Total assets	\$ 450,520	\$ 932,365	\$ 946,242	\$ 436,643
Liabilities				
Due to individuals	\$ 450,520	\$ 938,647	\$ 952,524	\$ 436,643
Total liabilities	\$ 450,520	\$ 938,647	\$ 952,524	\$ 436,643

(Continued)

**SUWANNEE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

For the Fiscal Year Ended September 30, 2018

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
TOTALS - ALL FUNDS				
Assets				
Cash	\$ 709,850	\$ 1,853,302	\$ 1,903,273	\$ 659,879
Due from individuals	52	52	104	-
Due from other funds	116	691	714	93
Due from other government:	-	6,052	6,052	-
Total assets	\$ 710,018	\$ 1,860,097	\$ 1,910,143	\$ 659,972
Liabilities				
Due to individuals	\$ 450,615	\$ 938,647	\$ 952,619	\$ 436,643
Due to other funds	21	646	639	28
Deposits	259,382	1,082,599	1,118,680	223,301
Total liabilities	\$ 710,018	\$ 2,021,892	\$ 2,071,938	\$ 659,972

See notes to financial statements.

COMPLIANCE SECTION

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

To the Clerk of the Circuit Court
Suwannee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Suwannee County Clerk of the Circuit Court as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Suwannee County Clerk of the Circuit Court's basic financial statements, and have issued our report thereon dated May 14, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Suwannee County Clerk of Courts' 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 Suwannee County Clerk of Courts' internal control. Accordingly, we do not express an opinion on the effectiveness of the Suwannee County Clerk of Courts' 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 Suwannee County Clerk of the Circuit Courts' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
May 14, 2019

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

Honorable Clerk of the Circuit Court
Suwannee County, Florida

We have audited the financial statements of the Suwannee County Clerk of the Circuit Court (the Clerk), as of and for the year ended September 30, 2018, and have issued our report thereon dated May 14, 2019. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report – The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Suwannee County, Florida, for the year ended September 30, 2018. The financial statements of the Clerk of the Circuit Court are combined with other County agencies in this report.

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

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.a and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

CONCLUSION

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

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

POWELL & JONES
Certified Public Accountants
May 14, 2019

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court
Suwannee County, Florida

We have examined the Suwannee County, Florida's Clerk of the Circuit Court's (Clerk's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2017. We have also examined the Clerk's compliance with Section 28.35, *Florida Statutes* as to the following during the fiscal year ended September 30, 2018:

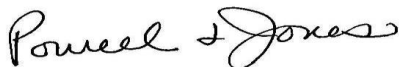
- a. The budget certified by the Florida Clerk of Courts Operations Corporation.
- b. The performance standards developed and certified to Section 28.35 *Florida Statutes*.

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

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Suwannee County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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



POWELL & JONES
Certified Public Accountants
May 14, 2018

PROPERTY APPRAISER

**SUWANNEE COUNTY, FLORIDA
PROPERTY APPRAISER**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee County Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

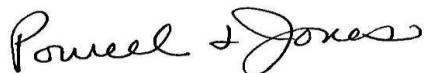
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements,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

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Suwannee County Property Appraiser, as of September 30, 2018, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 10, 2019, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and on compliance.



POWELL & JONES
Certified Public Accountants
May 10, 2019

GENERAL FUND

SUWANNEE COUNTY, FLORIDA

PROPERTY APPRAISER

**GENERAL FUND
BALANCE SHEET
September 30, 2018**

ASSETS	
Cash	\$ 22,325
Total assets	<u>\$ 22,325</u>
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Current liabilities	
Accounts payable	\$ 14,041
Accrued liabilities	4,547
Due to other governmental units	<u>3,737</u>
Total current liabilities	22,325
FUND BALANCE	
Total liabilities and fund balance	<u>\$ 22,325</u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA
PROPERTY APPRAISER
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenue			
Charges for services			
General government			
Sale of maps	\$ -	\$ 648	\$ 648
Suwannee River Water Management District	-	23,668	23,668
Total charges for services	<u>-</u>	<u>24,316</u>	<u>24,316</u>
Miscellaneous			
Interest	-	13	13
Miscellaneous	-	4,623	4,623
Total miscellaneous	<u>-</u>	<u>4,636</u>	<u>4,636</u>
Total revenues	<u>-</u>	<u>28,952</u>	<u>28,952</u>
EXPENDITURES			
General government			
Financial and administrative			
Personnel services			
Executive salaries	107,637	111,964	(4,327)
Regular salaries	416,577	432,780	(16,203)
FICA	40,103	39,193	910
Retirement	97,613	98,915	(1,302)
Life and health insurance	100,382	101,373	(991)
Total personnel services	<u>762,312</u>	<u>784,225</u>	<u>(21,913)</u>
Operating expenses			
Aerial photography	34,748	43,933	(9,185)
Books, publications and subscriptions	2,500	4,390	(1,890)
Communications	8,172	12,820	(4,648)
Contractual services	81,465	65,811	15,654
Dues and memberships	5,800	5,158	642
Education	3,270	2,000	1,270
Legal advertisements	1,200	1,138	62
Machinery & Equipment	2,000	1,404	596
Office supplies	14,000	11,869	2,131
Operating supplies	6,800	6,171	629
Other current charges and obligations	-	1,452	(1,452)
Postage	11,557	15,966	(4,409)
Printing and binding	-	1,372	(1,372)
Professional services	57,300	96,313	(39,013)
Rentals and leases	2,500	1,898	602
Repairs and maintenance	17,518	15,623	1,895
Travel and per diem	11,282	7,426	3,856
Total operating expenses	<u>260,112</u>	<u>294,744</u>	<u>(34,632)</u>
(Continued)			

SUWANNEE COUNTY, FLORIDA
PROPERTY APPRAISER
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Capital outlay			
Machinery and equipment	\$ -	\$ 16,627	\$ (16,627)
Total expenditures	<u>1,022,424</u>	<u>1,095,596</u>	<u>(73,172)</u>
Excess of revenues over (under) expenditures	(1,022,424)	(1,066,644)	(44,220)
OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	<u>1,022,424</u>	<u>1,066,644</u>	<u>44,220</u>
Net changes in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund 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 funds utilized by the Property Appraiser are as follows:

(i) **Governmental Fund**

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

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

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

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2018, the book balance of the Property Appraiser's deposits was \$22,325. The total bank balance was covered by federal depository insurance.

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

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

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

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

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

J. Risk Management - The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Property Appraiser directly purchases insurance and participates in the risk management program through the Suwannee County Board of County

Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

NOTE 2. PENSION PLAN

Plan Description - The Property Appraiser contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706. Full information on the System is included in the Suwannee County, Florida Financial Report.

Funding Policy - The System is employee non-contributory through June 30, 2011. As of July, 2011, the System requires employee contributions at 3% of gross pay. The Property Appraiser is required to contribute at an actuarially determined rate. The rates at September 30, 2018 were as follows: Regular Employees 8.26%; Senior Management 24.06%; Elected Officials 48.70% and employees electing the DROP Program 14.03%. The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Property Appraiser's contributions to the System for the years ending September 30, 2018, 2017 and 2016 were \$98,915, \$86,266, and \$78,106, respectively, equal to the required contributions for each year.

NOTE 3. LEASE COMMITMENTS

The Property Appraiser has an operating lease agreement for postage equipment with Mail Finance Postage Equipment for 60 months beginning October 3, 2015. Under the terms of this lease, the Property Appraiser is obligated to pay 60 monthly payments of \$140. Lease expense for the year ended September 30, 2018 was \$1,898. The future minimum lease payments at September 30, 2018, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2019	\$ 1,680
2020	<u>1,680</u>
	<u>\$ 3,360</u>

COMPLIANCE SECTION

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

To the Property Appraiser
Suwannee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Suwannee County Property Appraiser as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Suwannee County Property Appraiser's special purpose fund financial statements, and have issued our report thereon dated May 10, 2019.

Internal Control Over Financial Reporting

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

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

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

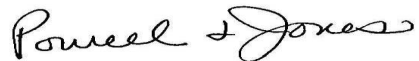
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Suwannee County Property Appraiser's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
May 10, 2019

MANAGEMENT LETTER

Honorable Property Appraiser
Suwannee County, Florida

We have audited the financial statements of the Suwannee County Property Appraiser, as of and for the year ended September 30, 2018, and have issued our report thereon dated May 10, 2019. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Suwannee County, Florida, for the year ended September 30, 2018. The financial statements of the Property Appraiser are combined with other County agencies in that report.

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

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(1)(i)5.a and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

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

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

Powell & Jones

POWELL & JONES
Certified Public Accountants
May 10, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To The Property Appraiser
Suwannee County, Florida

We have examined the Suwannee County, Florida Property Appraiser's (the Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Property Appraiser's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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



POWELL & JONES
Certified Public Accountants
May 10, 2019

SHERIFF

**SUWANNEE COUNTY, FLORIDA
SHERIFF**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2018

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**SUWANNEE COUNTY, FLORIDA
SHERIFF**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2018

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Sheriff
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee County Sheriff (the Sheriff), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

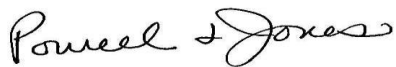
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Suwannee County Sheriff, as of September 30, 2018, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 17, 2019, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
May 17, 2019

COMBINED FINANCIAL STATEMENTS

**SUWANNEE COUNTY, FLORIDA
SHERIFF
COMBINED BALANCE SHEET – ALL FUND TYPES
September 30, 2018**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Totals</u>
	<u>Special</u>		<u>Agency Funds</u>	
	<u>General Fund</u>	<u>Revenue Funds</u>		
ASSETS				
Current assets				
Cash	\$ 524,289	\$ 339,992	\$ 190,720	\$ 1,055,001
Accounts receivable	1,632	-	238,028	239,660
Due from other funds	-	5,721	-	5,721
Due from other governmental units	66,937	-	-	66,937
Total assets	<u>\$ 592,859</u>	<u>\$ 345,713</u>	<u>\$ 428,748</u>	<u>\$ 1,367,320</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ 5,721	\$ 5,721
Due to Board of County Commissioners	565,636	-	3,720	569,356
Deposits	-	-	153,732	153,732
Revenues collected in advance	27,222	-	-	27,222
Other current liabilities	-	-	265,575	265,575
Total liabilities	<u>592,859</u>	<u>-</u>	<u>428,748</u>	<u>1,021,607</u>
Fund balance				
Restricted	-	345,713	-	345,713
Total fund balances	<u>-</u>	<u>345,713</u>	<u>-</u>	<u>345,713</u>
Total liabilities and fund balances	<u>\$ 592,859</u>	<u>\$ 345,713</u>	<u>\$ 428,748</u>	<u>\$ 1,367,320</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
For the Fiscal Year Ended September 30, 2018**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
REVENUES			
Intergovernmental	\$ 250,773	\$ -	\$ 250,773
Charges for services	10,521	-	10,521
Fines and forfeitures	-	28,449	28,449
Miscellaneous	26,463	142,400	168,863
Total revenues	<u>287,757</u>	<u>170,849</u>	<u>458,606</u>
EXPENDITURES			
Current expenditures			
Public Safety	8,834,448	221,331	9,055,779
Capital outlay			
Public Safety	355,495	79,694	435,189
Total expenditures	<u>9,189,943</u>	<u>301,025</u>	<u>9,490,968</u>
Excess of revenues over (under) expenditures	<u>(8,902,186)</u>	<u>(130,176)</u>	<u>(9,032,362)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from Board of County Commissioners			
	8,902,186	-	8,902,186
Total other financing sources (uses)	<u>8,902,186</u>	<u>-</u>	<u>8,902,186</u>
Net change in fund balances	-	(130,176)	(130,176)
Fund balances at beginning of year	-	475,889	475,889
Fund balances at end of year	<u>\$ -</u>	<u>\$ 345,713</u>	<u>\$ 345,713</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2018**

	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ -	\$ 250,773	\$ 250,773	\$ -	\$ -	\$ -
Charges for services	-	10,521	10,521	-	-	-
Fines and forfeitures	-	-	-	28,449	28,449	-
Miscellaneous	-	26,463	26,463	142,400	142,400	-
Total revenues	-	287,757	287,757	170,849	170,849	-
EXPENDITURES						
Current expenditures						
Public safety	8,953,317	8,834,448	118,869	221,331	221,331	-
Capital outlay						
Public safety	217,505	355,495	(137,990)	79,694	79,694	-
Total expenditures	9,170,822	9,189,943	(19,121)	301,025	301,025	-
Excess of revenues over (under) expenditures	(9,170,822)	(8,902,186)	268,636	(130,176)	(130,176)	-
OTHER FINANCING SOURCES						
Transfers from Board of County Commissioners	9,170,822	8,902,186	(268,636)	-	-	-
Total other financing sources	9,170,822	8,902,186	(268,636)	-	-	-
Net change in fund balances	-	-	-	(130,176)	(130,176)	-
Fund balances at beginning of year	-	-	-	475,889	475,889	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 345,713	\$ 345,713	\$ -

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

**SHERIFF
NOTES TO FINANCIAL STATEMENTS**

September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Suwannee County Sheriff (Sheriff).

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

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

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

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Sheriff are as follows:

(i) **Governmental Funds**

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. The following special revenue funds are maintained by the Sheriff:

Drug Task Force Fund
Federal Seizure Fund
Inmate Welfare Fund
Animal Control

(ii) **Fiduciary Funds**

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

Bond Fund
Civil Depositors Fund
Inmate Trust Fund
Evidence Trust Fund

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

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

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

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

At September 30, 2018, the book balance of the Sheriff's deposits was \$1,055,001 and the bank balances were \$1,674,517. These balances were covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

Bank Deposit Covered By	Category			Bank Balance
	1	2	3	
Eligible Collateral	\$ -	\$ 1,524,517	\$ -	\$ 1,524,517
FDIC Insurance	150,000	-	-	150,000
Total Deposits	<u>\$ 150,000</u>	<u>\$ 1,524,517</u>	<u>\$ -</u>	<u>\$ 1,674,517</u>

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

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the Sheriff's financial accounts which the County has elected not to report. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been provided on the Sheriff's general fixed assets.

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability, \$1,390,574 is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

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

NOTE 2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 10/01/17	Capital Outlay	Deletions	Balance 09/30/18
Equipment	\$ 3,606,990	\$ 341,595	\$ (19,288)	\$ 3,929,297

NOTE 3. PENSION PLAN

Plan Description - The Sheriff contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained

by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee non-contributory through June 30, 2011. Effective July 2011, employees are required to contribute 3% of their gross wages. The Sheriff is required to contribute at an actuarially determined rate. The rates at September 30, 2018, were as follows: Regular Employees 8.26%; Special Risk Employees 24.50%; Senior Management 24.06%; Elected Officials 48.30%, and employees electing the DROP Program 13.26%. The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2018, 2017 and 2016, were \$898,818, \$820,550, and \$835,547, respectively, equal to the required contributions for each year. Full information on the System is contained in Note 12 of the Suwannee County, Florida Financial Report.

NOTE 4. RISK MANAGEMENT

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

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

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

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

NOTE 5. CONTINGENT LIABILITIES

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

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

NOTE 6. OPERATING LEASES

The Sheriff has several operating lease agreements for equipment with noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$7,011. The future minimum payments under these leases at September 30, 2018, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2019	\$ 3,643
2020	914
2021	<u>152</u>
	<u>\$ 4,709</u>

NOTE 7. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds are classified as follows:

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

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

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

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

Unassigned - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2018:

<u>Fund</u>	<u>Classification</u>		<u>Total</u>
	<u>Restricted</u>	<u>Assigned</u>	
Special Revenue Funds			
Drug Task Force	\$ 22,121	\$ -	\$ 22,121
Federal Seizure	83,777	-	83,777
Inmate Welfare	203,665	-	203,665
Animal Control Expense	36,150	-	36,150
Total fund balances	<u>\$ 345,713</u>	<u>\$ -</u>	<u>\$ 345,713</u>

NOTE 8. RESTITUTION

In April, 2016, a former employee of the Sheriff's Office was arrested and charged with stealing approximately \$61,000 in cash funds being held as evidence over an approximate twenty year period ending in 2011. The Sheriff has subsequently received \$25,000 in insurance proceeds for this theft. Additionally, the individual has been ordered to pay restitution in the amount of \$19.23 per month until the Sheriff's Office is fully repaid. Eleven payments were made in the fiscal year.

COMBINING AND INDIVIDUAL FUND STATEMENTS

GENERAL FUND

**SUWANNEE COUNTY, FLORIDA
SHERIFF
GENERAL FUND
BALANCE SHEET
September 30, 2018**

ASSETS

Current assets

Cash	\$ 524,289
Accounts receivable	1,632
Due from other governmental units	66,937

Total assets **\$ 592,859**

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities

Due to Board of County Commissioners	\$ 565,636
Deferred revenue	27,222

Total liabilities and fund balance **\$ 592,859**

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				
Federal and State grants				
VOCA	\$ -	\$ -	\$ 37,504	\$ 37,504
DUI Operation	-	-	8,786	8,786
Teen Safety	-	-	400	400
Safety Belt	-	-	14,938	14,938
Drug Task Force	-	-	5,791	5,791
Speed/Aggressive Driving	-	-	17,956	17,956
Emergency Management	-	-	139,068	139,068
Guardian Program	-	-	26,330	26,330
Total federal and state grants	-	-	250,773	250,773
Charges for services				
Public safety				
Police services	-	-	10,521	10,521
Miscellaneous				
Interest	-	-	2,141	2,141
Other	-	-	24,322	24,322
Total miscellaneous	-	-	26,463	26,463
Total revenues	-	-	287,757	287,757
EXPENDITURES				
Public safety				
Law enforcement				
Personnel services	4,242,611	4,242,611	4,083,821	158,790
Operating expenses	755,697	755,697	958,530	(202,833)
Capital outlay	208,001	208,001	341,595	(133,594)
Total law enforcement	5,206,309	5,206,309	5,383,946	(177,637)
Court services				
Personnel services	218,932	218,932	183,186	35,746
Operating expenses	17,350	17,350	17,249	101
Capital outlay	1,001	1,001	-	1,001
Total court services	237,283	237,283	200,435	36,848
Corrections				
Personnel services	2,169,083	2,169,083	1,958,058	211,025
Operating expenses	673,050	673,050	701,611	(28,561)
Capital outlay	6,001	6,001	-	6,001
Total corrections	2,848,134	2,848,134	2,659,669	188,465

(Continued)

**SUWANNEE COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Animal control				
Personnel services	\$ 125,116	\$ 125,116	\$ 86,995	\$ 38,121
Operating expenses	24,350	24,350	33,477	(9,127)
Capital outlay	1,501	1,501	13,900	(12,399)
Total animal control	150,967	150,967	134,372	16,595
Dispatch				
Personnel services	663,378	663,378	491,946	171,432
Operating expenses	63,750	63,750	68,865	(5,115)
Capital outlay	1,001	1,001	-	1,001
Total dispatch	728,129	728,129	560,811	167,318
VOCA grant				
Personnel services	-	-	33,949	(33,949)
Operating expenses	-	-	3,554	(3,554)
Total VOCA grant	-	-	37,503	(37,503)
Drug Task Force				
Operating expenses	-	-	5,791	(5,791)
Total Drug Task Force	-	-	5,791	(5,791)
Teen Drive Challenge grant				
Operating expenses	-	-	400	(400)
Total Teen Driver Challenge grant	-	-	400	(400)
Emergency Management				
Personnel services	-	-	71,162	(71,162)
Operating expenses	-	-	57,138	(57,138)
Capital outlay	-	-	10,705	(10,705)
Total Emergency management	-	-	139,005	(139,005)
Safety Belt				
Personnel services	-	-	14,938	(14,938)
Total Safety belt	-	-	14,938	(14,938)
Speed/Aggressive Driving				
Personnel services	-	-	17,956	(17,956.00)
Total Speed Aggressive Driving	-	-	17,956	(17,956.00)
Guardian Program				
Operating expenses	-	-	26,330	(26,330.00)
Total Guardian Program	-	-	26,330	(26,330.00)

(Continued)

**SUWANNEE COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
DUI Operation				
Personnel services	\$ -	\$ -	\$ 8,787	\$ (8,787)
Total DUI Operation	-	-	8,787	(8,787)
Total expenditures	<u>9,170,822</u>	<u>9,170,822</u>	<u>9,189,943</u>	<u>187,895</u>
Excess of revenues over (under) expenditures	<u>(9,170,822)</u>	<u>(9,170,822)</u>	<u>(8,902,186)</u>	<u>475,652</u>
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	<u>9,170,822</u>	<u>9,170,822</u>	<u>8,902,186</u>	<u>(268,636)</u>
Total other financing sources	<u>9,170,822</u>	<u>9,170,822</u>	<u>8,902,186</u>	<u>(268,636)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

**SPECIAL REVENUE FUNDS
SUWANNEE COUNTY, FLORIDA
SHERIFF
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2018**

	<u>Drug Task Force</u>	<u>Federal Seizure</u>	<u>Inmate Welfare</u>	<u>Animal Control Expense</u>	<u>Totals</u>
ASSETS					
Cash	\$ 22,121	\$ 83,777	\$ 197,944	\$ 36,150	\$ 339,992
Due from other funds	-	-	5,721	-	5,721
Total assets	<u>\$ 22,121</u>	<u>\$ 83,777</u>	<u>\$ 203,665</u>	<u>\$ 36,150</u>	<u>\$ 345,713</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	22,121	83,777	203,665	36,150	345,713
Total liabilities and fund balances	<u>\$ 22,121</u>	<u>\$ 83,777</u>	<u>\$ 203,665</u>	<u>\$ 36,150</u>	<u>\$ 345,713</u>

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2018**

	Drug Task Force	Federal Seizure	Inmate Welfare	Animal Control Expense	Totals
REVENUES					
Fines and forfeitures					
Other fines and forfeitures					
Confiscated property	\$ 18,352	\$ 10,097	\$ -	\$ -	\$ 28,449
Miscellaneous					
Interest	151	115	-	-	266
Commissions	-	-	133,813	-	133,813
Donations	-	-	-	8,321	-
Total miscellaneous	151	115	133,813	8,321	142,400
Total revenues	18,503	10,212	133,813	8,321	170,849
EXPENDITURES					
Public safety					
Law enforcement					
Operating expenses	139,078	-	80,440	1,813	221,331
Capital outlay	-	-	79,694	-	79,694
Total expenditures	139,078	-	160,134	1,813	301,025
Excess of revenues over expenditures	(120,575)	10,212	(26,321)	6,508	(130,176)
Fund balances at beginning of year	142,696	73,565	229,986	29,642	475,889
Fund balances at end of year	\$ 22,121	\$ 83,777	\$ 203,665	\$ 36,150	\$ 345,713

See notes to financial statements.

AGENCY FUNDS

**SUWANNEE COUNTY, FLORIDA
SHERIFF
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2018**

	<u>Bond</u>	<u>Civil Depositors</u>	<u>Inmate Trust</u>	<u>Evidence Trust</u>	<u>Totals</u>
ASSETS					
Cash	\$ 93,019	\$ 4,076	\$ 45,943	\$ 47,682	\$ 190,720
Accounts receivable	-	-	238,028	-	238,028
Total assets	\$ 93,019	\$ 4,076	\$ 283,971	\$ 47,682	\$ 428,748
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ 5,721	\$ -	\$ 5,721
Due to Board of County Commiss	-	3,720	-	-	3,720
Deposits payable	93,019	-	13,031	47,682	153,732
Other current liabilities	-	356	265,219	-	265,575
Total liabilities	\$ 93,019	\$ 4,076	\$ 283,971	\$ 47,682	\$ 428,748

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SHERIFF
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2018**

	Balance October 1, 2017	Additions	Deletions	Balance September 30, 2018
BOND FUND				
ASSETS				
Cash	\$ 72,910	\$ 122,395	\$ 102,286	\$ 93,019
Total assets	\$ 72,910	\$ 122,395	\$ 102,286	\$ 93,019
LIABILITIES				
Deposits	\$ 72,910	\$ 122,395	\$ 102,286	\$ 93,019
Total liabilities	\$ 72,910	\$ 122,395	\$ 102,286	\$ 93,019
CIVIL DEPOSITORS FUND				
ASSETS				
Cash	\$ 4,261	\$ 52,551	\$ 52,736	\$ 4,076
Total assets	\$ 4,261	\$ 52,551	\$ 52,736	\$ 4,076
LIABILITIES				
Due to Board of County Commissioners	\$ 3,984	\$ 39,612	\$ 39,877	\$ 3,719
Other current liabilities	277	80	-	357
Total liabilities	\$ 4,261	\$ 39,692	\$ 39,877	\$ 4,076
INMATE TRUST FUND				
ASSETS				
Cash	\$ 48,179	\$ 342,554	\$ 344,790	\$ 45,943
Accounts receivable	209,676	558,139	529,787	238,028
Total assets	\$ 257,855	\$ 900,693	\$ 874,577	\$ 283,971
LIABILITIES				
Due to other funds	\$ 11,298	\$ 23,532	\$ 29,109	\$ 5,721
Deposits	9,394	319,278	315,641	13,031
Other current liabilities	237,163	540,907	512,851	265,219
Total liabilities	\$ 257,855	\$ 883,717	\$ 857,601	\$ 283,971
EVIDENCE TRUST FUND				
ASSETS				
Cash	\$ 25,280	\$ 33,996	\$ 11,594	\$ 47,682
Total assets	\$ 25,280	\$ 33,996	\$ 11,594	\$ 47,682
LIABILITIES				
Deposits	\$ 25,280	\$ 33,996	\$ 11,594	\$ 47,682
Total liabilities	\$ 25,280	\$ 33,996	\$ 11,594	\$ 47,682
TOTALS-ALL AGENCY FUNDS				
ASSETS				
Cash	\$ 150,630	\$ 551,496	\$ 511,406	\$ 190,720
Due from individuals	209,676	558,139	529,787	238,028
Total assets	\$ 360,306	\$ 1,109,635	\$ 1,041,193	\$ 428,748
LIABILITIES				
Due to other funds	\$ 11,298	\$ 23,532	\$ 29,109	\$ 5,721
Due to Board of County Commissioners	3,984	39,612	39,877	3,719
Deposits	107,584	475,669	429,521	153,732
Other current liabilities	237,440	540,987	512,851	265,576
Total liabilities	\$ 360,306	\$ 1,079,800	\$ 1,011,358	\$ 428,748

See notes to financial statements.

COMPLIANCE SECTION

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

To the Sheriff
Suwannee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Suwannee County Sheriff as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Suwannee County Sheriff's special purpose financial statements, and have issued our report thereon dated May 17, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Suwannee County Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of

noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
May 17, 2019

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

Honorable Sheriff
Suwannee County, Florida

We have audited the special purpose fund financial statements of the Suwannee County Sheriff, as of and for the year ended September 30, 2018, and have issued our report thereon dated May 17, 2019.

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

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in this report which is dated May 17, 2019, should be considered in conjunction with this management letter.

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

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Report of Units of Local Government - The financial report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is an agreement with the audited special purpose fund financial statements of Suwannee County, Florida, for the year ended September 30, 2018. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

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

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(1)(i)5.a and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

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

CONCLUSION

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

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

POWELL & JONES
Certified Public Accountants
May 17, 2019

INDEPENDENT ACCOUNTANT'S REPORT

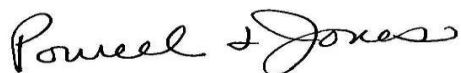
To The Sheriff
Suwannee County, Florida

We have examined the Suwannee County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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



POWELL & JONES
Certified Public Accountants
May 17, 2019

SUPERVISOR OF ELECTIONS

**SUWANNEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2018

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Supervisor of Elections
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee County Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

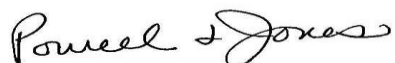
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Suwannee County Supervisor of Elections, as of September 30, 2018, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 7, 2019, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
May 7, 2019

COMBINED FINANCIAL STATEMENTS

SUWANNEE COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
COMBINED BALANCE SHEET
ALL FUND TYPES
September 30, 2018**

	<u>Governmental Fund</u>	<u>Fiduciary Fund</u>	
	<u>General Fund</u>	<u>Agency Fund</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash	\$ 166,836	\$ 1,479	\$ 168,315
Total assets	<u>\$ 166,836</u>	<u>\$ 1,479</u>	<u>\$ 168,315</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Current liabilities			
Due to other governmental units	\$ 96,476	\$ -	\$ 96,476
Accounts payable	27,505	-	27,505
Deferred revenue	42,134	-	42,134
Payroll liabilities	721	-	721
Other current liabilities	-	1,479	1,479
Total current liabilities	<u>166,836</u>	<u>1,479</u>	<u>168,315</u>
FUND BALANCE	-	-	-
Total liabilities and fund balance	<u>\$ 166,836</u>	<u>\$ 1,479</u>	<u>\$ 168,315</u>

See notes to financial statements.

GENERAL FUND

SUWANNEE COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

For the Fiscal Year Ended September 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Intergovernmental			
Federal grants	\$ -	\$ 1,415	\$ 1,415
State grants	-	59,122	59,122
Total intergovernmental	<u>-</u>	<u>60,537</u>	<u>60,537</u>
Miscellaneous			
Interest	-	12	12
Miscellaneous revenue	-	34,399	34,399
Total miscellaneous	<u>-</u>	<u>34,411</u>	<u>34,411</u>
Total revenues	<u>-</u>	<u>94,948</u>	<u>94,948</u>
EXPENDITURES			
General government			
Personnel services			
Executive salaries	111,964	111,964	-
Regular salaries	90,157	91,915	(1,758)
Other salaries and wages	40,000	13,765	26,235
FICA	15,112	15,467	(355)
Retirement	27,413	25,351	2,062
Life and health insurance	31,574	18,402	13,172
Total personnel services	<u>316,220</u>	<u>276,864</u>	<u>39,356</u>
Operating expenses			
Advertising	2,500	1,026	1,474
Ballot on demand	11,500	-	11,500
Books, dues, publications and subscriptions	2,665	835	1,830
Communications	6,400	8,990	(2,590)
Computer	5,000	-	5,000
Education	3,000	-	3,000
Election supplies and expenses	50,000	51,614	(1,614)
Election security	-	45,670	(45,670)
EVID system license and maintenance	11,186	-	11,186
HAVA	979	3,368	(2,389)
Information technology specialist	15,000	-	15,000
Office supplies	9,000	16,380	(7,380)
Miscellaneous expenses	-	1,560	(1,560)
Postage	15,000	9,876	5,124
Precinct rental	2,000	800	1,200
Professional services	-	37,597	(37,597)
Rentals and leases - equipment	-	1,434	(1,434)
Travel and per diem	2,900	2,633	267
Voter education	3,639	1,415	2,224
Voter focus license and maintenance	19,514	-	19,514
Web hosting	7,517	5,772	1,745
Total operating expenses	<u>167,800</u>	<u>188,970</u>	<u>(21,170)</u>
(Continued)			

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Capital outlay			
Machinery and equipment	\$ -	\$ 72,396	\$ (72,396)
Total expenditures	<u>484,020</u>	<u>538,230</u>	<u>(54,210)</u>
Excess of revenues over (under) expenditures	(484,020)	(443,282)	149,158
OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	<u>484,020</u>	<u>443,282</u>	<u>(149,158)</u>
	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Supervisor of Elections are as follows:

(i) **Governmental Fund**

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

(ii) **Fiduciary Fund**

Agency Fund - An Agency Fund is required and used by the Supervisor of Elections to account for resources received from and disbursed to other governmental units or other funds of Suwannee County and individuals. The Supervisor of Elections functions purely as an agent for others in the maintenance of the Fee Fund.

C. Basis of Accounting - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Supervisor of Elections currently maintains accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of

accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Supervisor of Elections.

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

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2018, the book balance of the Supervisor of Elections' deposits was \$168,315. The total balance was covered by federal depository insurance.

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

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

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

In the governmental funds, compensated absences of \$41,429 that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

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

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

NOTE 2. PENSION PLAN

Plan Description - The Supervisor of Elections contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee noncontributory through June 30, 2011. Effective July 1, 2011, employees must contribute 3% of their gross wages. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates at September 30, 2018 were as follows: Regular Employees 8.26%; Senior Management 24.06%; Elected Officials 48.30% and employees electing the DROP Program 13.26%. The contribution requirements of plan members and the Supervisor of Elections are established and may be amended by the Florida Legislature. The Supervisor of Elections' contributions to the System for the years ending September 30, 2018, 2017 and 2016 were \$25,351, \$22,176, and \$23,690, respectively, equal to the required contributions for each year. Full information on the System is contained in the Suwannee County County-wide Financial Report.

NOTE 3. LEASE COMMITMENTS

The Supervisor has an operating lease agreement for a digital copier with Great American Leasing Corporation. Under the terms of this lease, the Supervisor is obligated to pay 48 monthly payments of \$105.

The Supervisor has an operating lease agreement for a mailing system with Pitney Bowes. Under the terms of this lease, the Supervisor is obligated to pay 48 monthly payments of \$95. The future minimum lease payments under these leases at September 30, 2018, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2019	\$ 2,394
2020	2,394
2021	1,260
2022	315
	<u>\$ 6,363</u>

Lease expense was \$2,080 under these lease agreements for the fiscal year ended September 30, 2018.

AGENCY FUND

**SUWANNEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2018**

	<u>Balance</u> <u>October 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30, 2018</u>
FEE FUND				
Assets				
Cash	\$ 3,668	\$ -	\$ (2,189)	\$ 1,479
Liabilities				
Fees payable	\$ 3,668	\$ -	\$ (2,189)	\$ 1,479

COMPLIANCE SECTION

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

To the Supervisor of Elections
Suwannee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Suwannee County Supervisor of Elections as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Suwannee County Supervisor of Elections' special purpose fund financial statements, and have issued our report thereon dated May 7, 2019.

Internal Control Over Financial Reporting

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

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

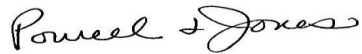
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

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

Certified Public Accountants

May 7, 2019

MANAGEMENT LETTER

Honorable Supervisor of Elections
Suwannee County, Florida

We have audited the financial statements of the Suwannee County Supervisor of Elections, as of and for the year ended September 30, 2018, and have issued our report thereon dated May 7, 2019. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Suwannee County, Florida, for the year ended September 30, 2018. The financial statements of the Supervisor of Elections are combined with other County agencies in that report.

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

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.a and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

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

CONCLUSION

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

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

POWELL & JONES
Certified Public Accountants
May 7, 2019

INDEPENDENT ACCOUNTANT'S REPORT

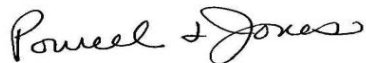
Honorable Supervisor of Elections
Suwannee County, Florida

We have examined the Suwannee County, Florida Supervisor of Elections' (the Supervisor) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Supervisor's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor's compliance with specified requirements.

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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



POWELL & JONES
Certified Public Accountants
May 7, 2019

TAX COLLECTOR

**SUWANNEE COUNTY, FLORIDA
TAX COLLECTOR**

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Honorable Tax Collector
Suwannee County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Suwannee County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Suwannee County Tax Collector, as of September 30, 2018, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 17, 2019, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES

Certified Public Accountants

June 17, 2019

COMBINED FINANCIAL STATEMENTS

SUWANNEE COUNTY, FLORIDA

**TAX COLLECTOR
COMBINED BALANCE SHEET
ALL FUND TYPES
September 30, 2018**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	
	<u>General Fund</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash	\$ 43,335	\$ 606,115	\$ 649,450
Accounts receivable	70	1,931	2,001
Due from other funds	16,368	57,727	74,095
Due from other governmental units	9,868	2,678	12,546
Prepaid expenses	15,059	-	15,059
Total assets	\$ 84,700	\$ 668,451	\$ 753,151
LIABILITIES			
Current liabilities			
Accounts payable	\$ 1,116	\$ 53,978	\$ 55,094
Due to other funds	610	73,485	74,095
Due to other governmental units	71,152	84,435	155,587
Accrued payroll deductions and matching	2,466	-	2,466
Accrued salaries	9,356	-	9,356
Other current liabilities	-	456,553	456,553
Total liabilities	\$ 84,700	\$ 668,451	\$ 753,151

See notes to financial statements.

GENERAL FUND

**SUWANNEE COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
County Officer commissions and fees				
Hunting and fishing license fees	\$ 2,409	\$ 2,409	\$ 2,409	\$ -
Concealed weapon license fees	18,754	18,754	18,754	-
Birth certificates	1,394	1,394	1,394	-
Motor vehicle fees	244,838	244,838	244,838	-
Drivers licenses	101,556	101,556	101,556	-
Florida Tourist Development	8,704	8,704	8,704	-
Department of Revenue sales tax	1,500	1,500	1,500	-
Ad valorem tax commissions	464,935	464,935	464,935	-
Special assessment commissions	80,085	80,085	80,085	-
Special assessment preparation	33,000	33,000	33,000	-
Suwannee River Water Management				
District tax commissions	12,169	12,169	12,169	-
Delinquent tax 5% commissions fees	79,496	79,496	79,496	-
Individual delinquent tax fees	24,793	24,793	24,793	-
Delinquent tax commissions	23,246	23,246	23,246	-
Delinquent Suwannee River Water Management District commissions	588	588	588	-
Total charges for services	1,097,467	1,097,467	1,097,467	-
Miscellaneous				
Other miscellaneous	26,675	26,675	2,317	(24,358)
Total miscellaneous	26,675	26,675	2,317	(24,358)
Total revenues	1,124,142	1,124,142	1,099,784	(24,358)
EXPENDITURES				
General government				
Financial and administrative				
Personnel services				
Executive salaries	107,637	107,637	111,964	(4,327)
Regular salaries	556,346	556,346	536,150	20,196
Overtime	12,500	12,500	2,060	10,440
Special pay	4,952	4,952	2,779	2,173
FICA	52,137	52,137	48,645	3,492
Retirement	91,489	91,489	73,804	17,685
Unemployment	240	240	-	240
Life and health insurance	133,559	133,559	121,943	11,616
Total personnel services	958,860	958,860	897,345	61,515

(Continued)

See notes to financial statements.

**SUWANNEE COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating expenses				
Education	\$ -	\$ -	\$ 1,635	\$ (1,635)
Professional services	61,832	61,832	62,397	(565)
Travel and per diem	6,000	6,000	4,869	1,131
Communications services	6,001	6,001	6,517	(516)
Transportation	23,998	23,998	13,817	10,181
Rentals and leases	67,215	67,215	68,277	(1,062)
Insurance	236	236	269	(33)
Repairs and maintenance	-	-	2,567	(2,567)
Repairs EDP	-	-	-	-
Printing	-	-	-	-
Other current charges and obligations	-	-	624	(624)
Office supplies	-	-	14,761	(14,761)
Operating supplies	-	-	2,419	(2,419)
Books, publications subscriptions and dues	-	-	3,739	(3,739)
Capital outlay office equipment	-	-	20,548	(20,548)
Total operating expenditures	<u>165,282</u>	<u>165,282</u>	<u>202,439</u>	<u>(37,157)</u>
Total expenditures	<u>1,124,142</u>	<u>1,124,142</u>	<u>1,099,784</u>	<u>24,358</u>
Excess of revenues over (under) expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SUWANNEE COUNTY, FLORIDA

TAX COLLECTOR

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Suwannee County Tax Collector (Tax Collector).

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

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

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

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Tax Collector are as follows:

- (i) **Governmental Fund**
General Fund - The General Fund of the Tax Collector is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.
- (ii) **Fiduciary Funds**
Agency Funds - Agency Funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities)

and do not involve measurement of results of operations. The following Agency Funds are maintained by the Tax Collector.

Tag Fund
Tax Fund

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

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes its funding of the operations of the Tax Collector. The operating budget of the Tax Collector is approved by the Florida Department of Revenue.

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2018, the book balance of the Tax Collector's deposits was \$649,450 and the total amounts of deposits was \$636,034. Of this balance, \$250,000 was covered by federal depository insurance and \$386,034 was covered by collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

Bank Deposit Covered by	Category			Bank Balance
	1	2	3	
Eligible Collateral	\$ 386,034	\$ -	\$ -	\$ 386,034
FDIC Insurance	250,000	-	-	250,000
Total deposits	<u>\$ 636,034</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 636,034</u>

The Tax Collector's Office has \$2,625 petty cash.

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

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been provided on the County's general fixed assets. Assets purchased by the Tax Collector are reported in the Board of County Commissioners' General Fixed Assets Accounts.

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

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

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

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

NOTE 2. PENSION PLAN

Plan Description - The Tax Collector contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee noncontributory through June 30, 2011. Effective July 1,

2011, employees are required to contribute 3% of their gross wages. The Tax Collector is required to contribute at an actuarially determined rate. The rates at September 30, 2018 were as follows: Regular Employees 8.26%; Senior Management 24.06%; Elected Officials 48.70% and employees electing the DROP Program 14.03%. The contribution requirements of plan members and the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2018, 2017, and 2016 were \$73,803, \$87,393, and \$82,936, respectively, equal to the required contributions for each year. Full information on the System is included in the Suwannee County County-wide Financial Report.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2018, were:

	Interfund Receivable	Interfund Payable
General Fund	\$ 16,368	\$ 610
Tax Fund	57,651	1,929
Tag Fund	76	71,556
	<u>\$ 74,095</u>	<u>\$ 74,095</u>

COMBINING STATEMENT

AGENCY FUNDS

**SUWANNEE COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2018**

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
TAG FUND				
Assets				
Cash	\$ 112,976	\$ 6,207,756	\$ 6,165,001	\$ 155,731
Accounts receivable	1,154	71,640	71,099	1,695
Due from other governmental units	691	2,678	691	2,678
Due from other funds	1,060	77	1,061	76
Total assets	\$ 115,881	\$ 6,282,151	\$ 6,237,852	\$ 160,180
Liabilities				
Accounts payable	\$ 11	\$ 45,993	\$ 39,879	\$ 6,125
Due to other funds	13,062	450,715	392,221	71,556
Due to other governmental units	102,808	5,698,243	5,718,552	82,499
Due to Board of County Commissioners	23,386	-	-	-
Total liabilities	\$ 115,881	\$ 6,194,951	\$ 6,150,652	\$ 160,180
TAX FUND				
Assets				
Cash	\$ 559,882	\$ 35,757,511	\$ 35,867,009	\$ 450,384
Accounts receivable	933	19,859	20,556	236
Due from other funds	5,941	70,967	19,257	57,651
Due from other governmental units	-	598	598	-
Total assets	\$ 566,756	\$ 35,848,935	\$ 35,907,420	\$ 508,271
Liabilities				
Accounts payable	\$ 115,021	\$ 2,508,830	\$ 2,575,998	\$ 47,853
Due to other funds	1,056	718,470	717,597	1,929
Due to other governmental units	4,470	32,552,561	32,555,095	1,936
Due to Board of County Commissioners	2,511	-	-	-
Installment payable and other	446,209	37,396,787	37,386,443	456,553
Total liabilities	\$ 566,756	\$ 73,176,648	\$ 73,235,133	\$ 508,271
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ 672,858	\$ 41,965,267	\$ 42,032,010	\$ 606,115
Accounts receivable	2,087	91,499	91,655	1,931
Due from other funds	7,001	71,044	20,318	57,727
Due from other governmental units	691	3,276	1,289	2,678
Total assets	\$ 682,637	\$ 42,131,086	\$ 42,145,272	\$ 668,451
Liabilities				
Accounts payable	\$ 115,032	\$ 2,554,823	\$ 2,615,877	\$ 53,978
Due to other funds	14,118	1,169,185	1,109,818	73,485
Due to other governmental units	107,278	38,250,804	38,273,647	84,435
Installments payable and other	446,209	37,396,787	37,386,443	456,553
Total liabilities	\$ 682,637	\$ 79,371,599	\$ 79,385,785	\$ 668,451

See notes to financial statements.

COMPLIANCE SECTION

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

To the Tax Collector
Suwannee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Suwannee County Tax Collector as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Suwannee County Tax Collector's special purpose financial statements, and have issued our report thereon dated June 17, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Suwannee County Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed

no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

POWELL & JONES
Certified Public Accountants
June 17, 2019

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

Honorable Tax Collector
Suwannee County, Florida

We have audited the financial statements of the Suwannee County Tax Collector, as of and for the year ended September 30, 2018, and have issued our report thereon dated June 17, 2019.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated June 17, 2019. Disclosures in that report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Suwannee County, Florida, for the year ended September 30, 2017. The financial statements of the Tax Collector are combined with other County agencies in that report.

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

Financial Condition Assessment Procedures - As required by the Rules of the Auditor General (Sections 10.554(1)(i)5.a. and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.554(1)(f).

CONCLUSION

We have reviewed information regarding our audit with the Tax Collector and have provided her with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Tax Collector. We appreciate the helpful assistance of Tax Collector staff in completing our audit and also the generally high quality of the Tax Collector's financial records and internal control. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES

Certified Public Accountants

June 17, 2019

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Tax Collector
Suwannee County, Florida

We have examined the Suwannee County, Florida Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Tax Collector's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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



POWELL & JONES
Certified Public Accountants
June 17, 2019