

# **Alachua County Library District**



**Alachua County, Florida  
Comprehensive Annual  
Financial Report  
Fiscal Year Ended September 30, 2018**



# **INTRODUCTORY SECTION**



**ALACHUA COUNTY, FLORIDA**  
**LIBRARY DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2018**

Prepared by:  
Finance and Accounting Department  
Clerk to the Library District  
J.K. "Jess" Irby, Esq.



**ALACHUA COUNTY LIBRARY DISTRICT  
ALACHUA COUNTY, FLORIDA  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORTS  
SEPTEMBER 30, 2018**

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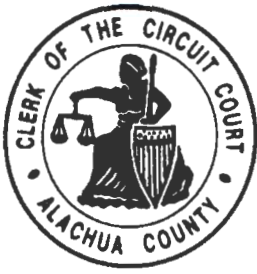
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## CLERK OF THE CIRCUIT COURT

Alachua County Courthouse  
201 East University Avenue  
Gainesville, Florida 32601

J.K. "JESS" IRBY, ESQ.  
CLERK

TELEPHONE  
(352) 374-3636

March 28, 2019

The Honorable Ken Cornell, Chair  
Library District Governing Board  
Alachua County, Florida

Dear Governor Cornell:

I am pleased to present to you, the Library District Governing Board and the Citizens of Alachua County, the Comprehensive Annual Financial Report of the Alachua County, Florida, Library District, for the fiscal year ended September 30, 2018. The Finance Department prepared this report and we are responsible for its accuracy and completeness.

Information in the report is presented in a manner that enables the reader to gain an understanding of the District's financial activity. The Finance Director's transmittal letter further discusses the District's financial activities and internal controls.

This report was prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). GFOA awards Certificates of Achievement for Excellence in Financial Reporting to those governments whose comprehensive annual financial reports meet the Program's strict criteria. The Library's comprehensive annual financial reports for the preceding fourteen years were awarded this certificate. We are submitting the 2018 report for review and we believe that it will also be awarded a certificate.

The financial statements of the District have been audited by Purvis, Gray & Company, Certified Public Accountants. Their opinion is included in the financial section of this report.

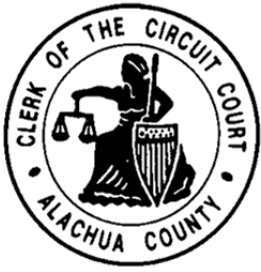
The preparation of this report could not have been accomplished without the dedicated effort of the Finance Director and his entire staff. Their efforts over the past years have led to an improved quality of information being reported to the Governing Board, State, Oversight Boards and the Citizens of Alachua County.

Thank you for your attention.

Respectfully Submitted,

J. K. "Jess" Irby, Esq.  
Clerk of the Circuit Court





## CLERK OF THE CIRCUIT COURT

Alachua County Courthouse  
201 East University Avenue  
Gainesville, Florida 32601

**J.K. "JESS" IRBY, ESQ.**  
**CLERK**

**TELEPHONE**  
**(352) 374-3636**

March 28, 2019

The Honorable Ken Cornell, Chair  
Library District Governing Board  
Alachua County, Florida

Dear Governor Cornell and the Citizens of Alachua County:

The Comprehensive Annual Financial Report of Alachua County, Florida, Library District, for the fiscal year ended September 30, 2018, is respectfully submitted. This report was prepared by the Finance and Accounting Department under the supervision of the Clerk of the Circuit Court. The report fulfills the requirements set forth in Section 218.39, Florida Statutes, and the Rules of the Florida Auditor General, Chapter 10.550, which requires an annual audit of all Special Districts. Responsibility for both the accuracy of presented data and the completeness and fairness of the presentation, including all disclosures, rest with the Finance and Accounting Department.

Florida Statutes require an audit of the financial statements of the Alachua County Library District by an independent certified public accountant. We have complied with this requirement and the auditor's opinion is included in the Financial Section of this report. Purvis, Gray & Company, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Alachua County Library District's financial statements for the year ended September 30, 2018.

Internal accounting controls for the District are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

Readers of this report are encouraged to read Management's Discussion and Analysis (MD&A), which immediately follows the independent auditor's report. The MD&A provides basic financial information about the Library and an overview of the District's activities; it is intended to complement this letter of transmittal and should be read in conjunction with it.

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## **PROFILE OF THE GOVERNMENT**

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Chapter 98-502, as amended by 03-375, Laws of Florida, establishes the Alachua County Library District as an independent special taxing district and the sole provider of public library services in Alachua County. This Comprehensive Annual Financial Report (CAFR) includes the funds of the primary government, the Alachua County Library District and the component unit, Alachua County Library District Foundation.

The Library District Governing Board is made up of three members of the Board of Alachua County Commissioners, two members of the Gainesville City Commission, and one member of the Alachua County School Board. The board members are selected by their respective entities to serve on the Library District Governing Board. The Governing Board appoints the seven member Board of Trustees, a citizen volunteer board which is part of the governing structure of the Library District. Three of the members are Alachua County representatives, three are City of Gainesville representatives, and one is a representative of the Alachua County League of Cities.

In addition to providing for the structure of the District's Governing Board and Board of Trustees, Chapter 03-375 also provides for the legal and financial operations of the District. The enabling legislation requires the County Attorney to provide legal services, and the Clerk of Court to provide accounting and treasury services to the District.

The Alachua County Library District Governing Board may levy ad valorem taxes up to 1.5 mills for operational expenses, and all millage necessary to pay the principal and interest on general obligation bonds. The Governing Board has the power to adopt an annual budget, establish service levels, adopt long range facilities and development plans, lease or purchase property, contract for services, receive grants, and take any other action necessary to provide public library services to the people of Alachua County.

The Florida Legislature adopted the Truth in Millage legislation which is a method by which all taxpayers can participate in the budget adoption process. Each year the Property Appraiser completes an assessment of the value of all property and certifies to each taxing authority the value of the property within its jurisdiction. Each taxing authority then notifies the Property Appraiser of its proposed millage rate, its rolled back rate and the date, time, and place of the public hearing to consider the tentative millage rate and the adjusted tentative budget. Once the Property Appraiser receives the information, he sends a notice by first class mail to every taxpayer on the assessment roll. Public hearings are then held to adopt a tentative budget and millage based on information provided by the Property Appraiser. The final budget and millage is adopted by the Governing Board, in accordance with Florida Statutes 129 and 200, no later than the close of the fiscal year on September 30. All funds for the Library District are budgeted on an annual basis except for the Pension Trust fund, and the level of control is maintained at the fund level.

The responsibilities of the Board of Trustees include developing recommendations on policy, budget, and plans for the District, reporting at meetings on matters that may affect the District,

responding to requests by the Governing Board for various recommendations, reporting information about Library issues, and listening and responding to citizens who have questions relating to the District and libraries in general.

**THE LIBRARY DISTRICT, ITS  
ECONOMIC CONDITION AND OUTLOOK**

The Alachua County Library District provides public library service to a countywide population of approximately 263,291 (April 1, 2018 estimate), as well as to surrounding counties. The District is a centralized system with a Headquarters Library located in downtown Gainesville and eleven branch libraries. One large library (Millhopper Branch) is located in northwest Gainesville; another large library (Tower Road Branch) is located in unincorporated Alachua County southwest of Gainesville, just outside of the city limits. The newly constructed Library Partnership Branch is operating in collaboration with the Partnership for Strong Families in northeast Gainesville and Cone Park Branch is located in east Gainesville. The municipalities of Alachua, Archer, Hawthorne, High Springs, Micanopy, Newberry and Waldo each have a branch library. In addition, the District also operates two bookmobiles and provides library service to the inmates of the Alachua County Jail through an interlocal agreement with the Alachua County Sheriff.

The District has contracts with the Matheson Historical Center and the Civic Media Center, which provides for the inclusion of the collections owned and maintained by these organizations to be listed in the District’s on-line catalog. Prior to these agreements the collections had not been cataloged or made available on-line. There is now increased access to more materials within the community at minimal cost to all agencies.

<b>Summary of Library Use Statistics for FY 2018</b>	
1,274,411	Visits to all Alachua County Libraries
3,899,537	Items borrowed (circulated)
149,671	Registered borrowers
345,577	Materials holdings - Titles
733,973	Individual items in the Library collection
329,373	Reference questions answered in person, by phone, or via the internet
996,112	Virtual visits through the internet
9,155	Programs for children and adults with attendance of 129,731
11,407	Uses of Library District meeting rooms with an attendance of 57,745
18,757	Volunteer hours

## **Local Economy**

Alachua County with the City of Gainesville as its county seat, serves as the cultural, educational and commercial center for the North Central Florida region of the State of Florida. Alachua County encompasses approximately 965 square miles and is included in the Gainesville Metropolitan Statistical Area. Alachua County is located almost midway between the Atlantic and Gulf coasts, approximately 145 miles southeast of Tallahassee, the State Capital, and 100 miles southwest of Jacksonville. In addition to Gainesville, eight other growing municipalities are located within the County: Alachua, Archer, Hawthorne, High Springs, LaCrosse, Micanopy, Newberry and Waldo. Alachua County is home to the University of Florida, Santa Fe College and is a medical center housing a Veterans Administration Hospital, the University of Florida Health Research and Teaching Hospital, North Florida Regional Hospital and other smaller hospitals and treatment centers. Due to the high number of government entities, the County's economic outlook is somewhat more stable than the rest of the economy in the State but is still affected by the financial difficulties of the United States economy as a whole. Expansion of both educational and health care facilities is expected to increase over the next several years.

## **Long-term Financial Planning**

As part of the Library District's budget process, staff develops a Long Range Facilities and Service Plan that projects the needs of the District for a five year period. This plan is under constant revision to incorporate any changes to tax revenues which may affect operating service levels or the time line of planned capital projects. Unlike many other local governments, the Library District is dependent on its property tax based revenues for both operating and capital expenditures. This allows the Library District to be somewhat flexible in determining amounts needed to sustain service levels, and adjust the amounts used for capital projects accordingly.

Recent successful collaborations with social service agencies like the Partnership for Strong Families has resulted in more community groups recognizing the value the Library District can add to their agencies. These new partnerships are cultivating new users, service demands, and supporters who help the district to define a long range community role. As a result, even more partnerships are being proposed. The district is being offered cost effective opportunities to expand library services to new user groups. This is an ideal scenario for the Library District to ensure its future positive place in the community.

## **Major Initiatives**

In Fiscal year 2018, the District completed the expansion and renovation of the Tower Road Branch. The expansion added 8,500 sq. ft. and completely renovated the existing 15,000 sq. ft. The District also completed construction of the Library Partnership Branch's new 10,000 sq. ft. building. This new building includes a Children's Snuggle Up Center, a Teen Space, a quiet reading room, two study rooms, and a large meeting room. Also, the District began construction of the new Waldo Branch.

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**AWARDS AND  
ACKNOWLEDGEMENTS**

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**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Alachua County Library District for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017. This was the fourteenth consecutive year that the Library District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. Also, the report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

A comprehensive financial report of this nature could not have been prepared without the dedicated efforts of all staff members concerned. I would like to express my appreciation to the staff of Finance and Accounting in helping produce this report and for the interest and support of the Clerk of the Court. I would also like to thank the Library Director, Library administrative staff, as well as the Library District Governing Board for their work in planning and conducting the fiscal operations of the District.

Respectfully Submitted,



Todd Hutchison, C.P.A., C.G.F.O.  
Assistant Clerk/Finance Director

NTH/rdg



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Alachua County  
Florida Library District**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

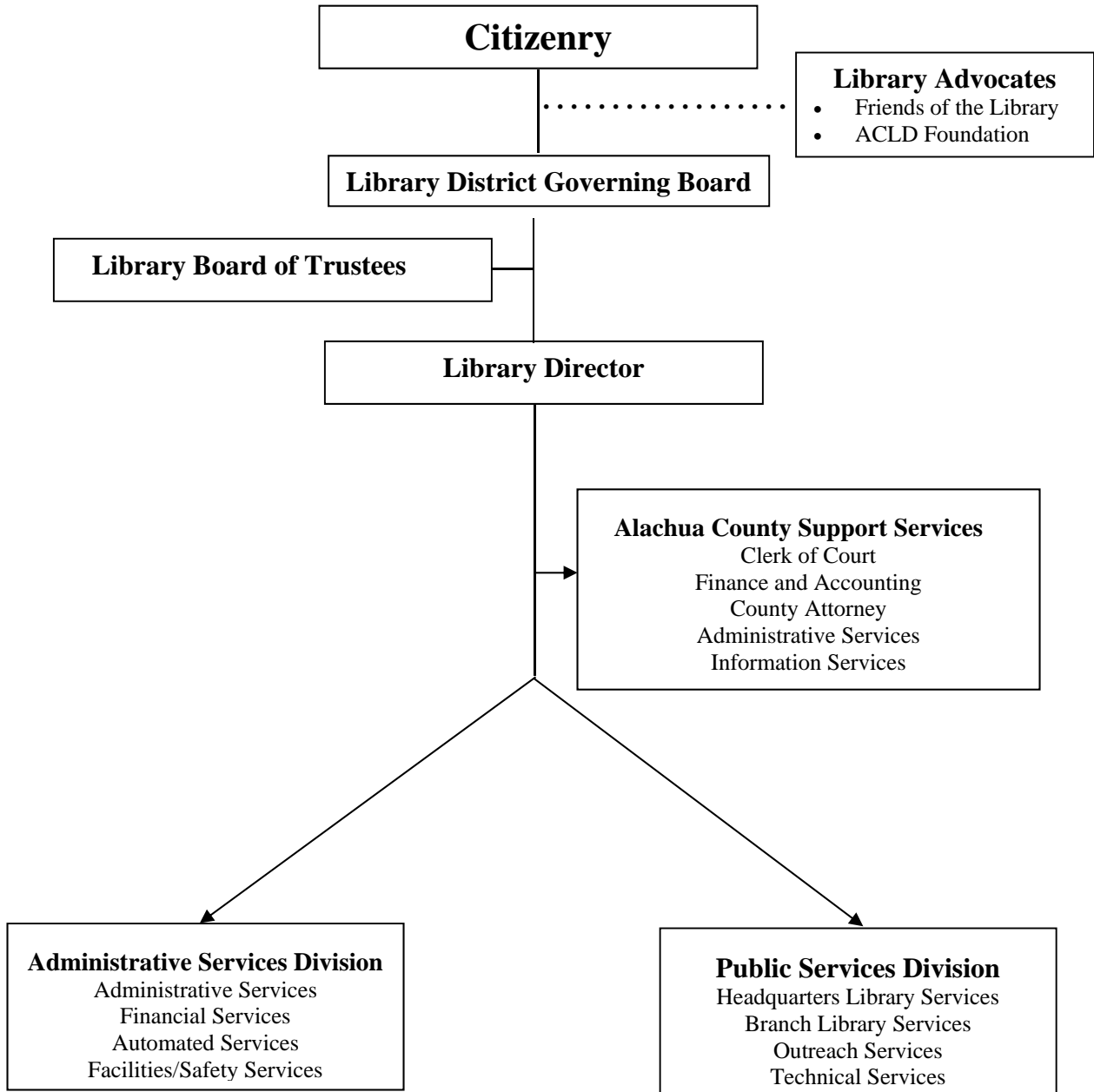
**September 30, 2017**

*Christopher P. Morill*

Executive Director/CEO



**ALACHUA COUNTY LIBRARY DISTRICT  
ORGANIZATIONAL CHART**



**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**

**PRINCIPAL OFFICERS**

**GOVERNING BOARD**

**Ken Cornell – Chair – County**

**Leanetta McNealy – Vice Chair – School Board**

**Charles S. Chestnut, IV – County**

**Marihelen Wheeler – County**

**Helen K. Warren – City**

**Adrian Hayes-Santos – City**

**LIBRARY DIRECTOR**

**Shaney T. Livingston**

**COUNTY ATTORNEY**

**Sylvia E. Torres**

**CLERK OF CIRCUIT / COUNTY COURTS**

**AND**

**CLERK TO LIBRARY DISTRICT**

**J. K. “Jess” Irby, Esq.**

**DIRECTOR OF FINANCE**

**Todd Hutchison, C.P.A., C.G.F.O.**

**<http://www.aclib.us>**

# **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

The Governing Board  
Alachua County Library District  
Alachua County, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the Alachua County Library District (the District) as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District'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 in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Certified Public Accountants

P.O. Box 141270 • 222 N.E 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461  
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872  
443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144  
5001 Lakewood Ranch Blvd. N., Suite 101 • Sarasota, Florida 34240 • (941) 907-0350  
1560 N. Orange Ave., Suite #450 • Winter Park, Florida 32789  
MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

The Governing Board  
Alachua County Library District  
Alachua County, Florida

**INDEPENDENT AUDITORS' REPORT**  
*(Continued)*

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the District, as of September 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Correction of Error**

As discussed in Note 11(C) to the financial statements, beginning net position was restated to remove pension contributions from the calculation for compensated absences liability, account for restatement from the Florida Retirement System to beginning net pension liability, and adjust beginning accumulated depreciation for assets placed in service in prior years and not previously depreciated. Our opinion is not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison information, and the trend information for pension and OPEB plans 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 special purpose financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Governing Board  
Alachua County Library District  
Alachua County, Florida

**INDEPENDENT AUDITORS' REPORT**  
*(Concluded)*


**Other Matters (Concluded)**

*Other Information (Concluded)*

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

  
March 28, 2019  
Gainesville, Florida





**MANAGEMENT'S  
DISCUSSION & ANALYSIS  
(MD&A)**



## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Alachua County Library District Management's Discussion and Analysis presents an overview of the Library District's financial activities for the fiscal year ended September 30, 2018. The Library District's financial performance is discussed and analyzed within the context of the accompanying financial statements & disclosure following this section.

### *Financial Highlights*

#### **Government-wide Statements**

- Alachua County Library District's assets and deferred outflows exceeded its liabilities and deferred inflow of resources at September 30, 2018 by \$20,620,255 (net position). Of this amount, \$1,309,950 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- Total net position of \$20,620,255 is comprised of the following:
  - 1) Net investment in capital assets of \$19,310,305 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets.
  - 2) Net position of \$ 0 is restricted by constraints imposed from outside the Library District such as debt covenants. During FY2017, the Alachua County Library District's debt was redeemed.
  - 3) \$1,309,950 of governmental net position represents the portion available to maintain the Library District's continuing obligations to citizens and creditors.

The Library District's total restated net position after adjustment to the prior year's accumulated depreciation, compensated absences, and net pension liability net position increased by \$333,869 over the previous year. Net position increased due to expenses being less than anticipated and the debt was redeemed in prior year.

#### **Fund Statements**

- At September 30, 2018, the Library District's governmental funds reported combined ending fund balances of \$14,951,459, a decrease of \$801,240 from the prior fiscal year.
- At September 30, 2018, the total fund balance for the General Fund was \$5,934,600 or 34% of operating revenue. The District assigned General Fund ending fund balance of \$3,401,460 million for a one-time transfer to the Capital Project Fund in fiscal year 2019 and assigned an additional \$1,333,710 to balance the General Fund's operating budget in fiscal year 2019.

- Total governmental funds' revenues had a net decrease of \$163,968 from the prior fiscal year. This is primarily due to decreases in property taxes collection, due to the debt being retired in fiscal year 2017.

## **Overview of the Financial Statements**

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

## **Government-Wide Financial Statements**

The Government-wide Financial Statements are designed to provide readers with a broad overview of the Library District's finances, in a manner similar to a private sector business.

- The Statement of Net Position presents financial information on all of the Library District's assets, liabilities, and deferred inflows/outflows of resources, 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 Library District is strengthening or weakening.
- The Statement of Activities presents information showing how the government's net position changed during fiscal year 2018. All changes in net position are reported as soon as the event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

The government-wide financial statements can be found on pages 16-17 of this report.

## **Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Library District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All Library District funds are either governmental funds or fiduciary funds.

## **Governmental Funds**

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

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

The Library District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Brady Trust Special Revenue Fund, and the Capital Projects Fund, which are considered to be major funds. Data for the other three governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules in the supplementary information section of this report.

The Library District adopts an annual budget for its general, special revenue, and capital projects funds. Budgetary comparison schedules have been provided for these funds to demonstrate budgetary compliance; major funds budgetary comparison (excluding Capital Project funds) is in the Required Supplementary Information starting on page 59 and for non-major and Capital Projects fund in the supplementary information starting on page 76 of this report.

## **Fiduciary Funds**

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

The basic fiduciary fund financial statements can be found on pages 22-23 of this report.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-58 of this report.

### Other Information

Combining statements, referred to earlier, present a more detailed view of nonmajor funds. This section includes budget to actual schedules for nonmajor special revenue funds and capital project funds. Combining and individual fund schedules can be found on pages 71-79 of this report. Required pension fund information is shown on pages 62-68 and required OPEB information is shown on pages 69-70. Information concerning capital assets used in the operation of governmental funds can be found in the notes on page 40.

### Government-wide Financial Analysis

Changes in net position over time may serve as a useful indicator of a government's financial position. In the case of the Library District, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$20,620,255 at the end of the fiscal year ended September 30, 2018.

#### Alachua County Library District Net Position

	<b>Governmental Activities</b>		<b>Total Percent Change</b>
	<b>2017</b>	<b>2018</b>	
Current and Other Assets	\$ 17,631,991	\$ 16,498,706	-6.4%
Capital Assets	17,538,601	19,310,305	10.1%
Total Assets	<u>35,170,592</u>	<u>35,809,011</u>	1.8%
Deferred outflows pension	2,499,508	2,191,409	
Total Deferred Outflow of Resources	<u>2,499,508</u>	<u>2,191,409</u>	
Long-Term Liabilities Outstanding	14,190,080	13,839,225	-2.5%
Other Liabilities	2,256,097	2,002,044	-11.3%
Total Liabilities	<u>16,446,177</u>	<u>15,841,269</u>	-3.7%
Deferred inflows opeb and pensions	992,772	1,538,896	
Total Deferred Inflow of Resources	<u>992,772</u>	<u>1,538,896</u>	55.0%
Net Position:			
Net investment in Capital Assets	17,538,601	19,310,305	10.1%
Unrestricted	2,692,550	1,309,950	-51.3%
Total Net Position	<u>\$ 20,231,151</u>	<u>\$ 20,620,255</u>	1.9%

At the end of fiscal year 2018, the Library District is able to report positive balances in all three categories of net position.

One portion of the Library District's net position of \$19,310,305 or 93.6% of total net position reflects its investment in capital assets (e.g., land, buildings, improvements and equipment, less any related depreciation expense), less any related outstanding debt used to acquire those assets. The Library District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library District's investment in its capital assets is reported net of related debt, the resources needed to repay this debt are provided from other sources (ad valorem taxes), since the capital assets themselves cannot be used to liquidate these liabilities. For the fiscal year, the District's net investment in capital assets increased by \$1,771,704. This net increase is due to planned capital expenses for future expansions and renovations of library facilities.

The remaining portion of the Library District's net position is unrestricted net position (\$1,309,950 or 6.4%) and may be used to meet the government's ongoing obligations to citizens and creditors. Unrestricted net position decreased \$1,382,600 from FY17 to FY18. This decrease was due to capital assets being funded with cash on hand rather than debt, resulting in an increase to net investment in capital assets and decrease to net position.

**Alachua County Library District  
Changes in Net Position**

	<b>Governmental Activities</b>		<b>Percent Change</b>
	<b>2017</b>	<b>2018</b>	
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 122,725	\$ 123,991	1.0%
Capital grants and contributions	218,800	427,580	95.4%
Operating grants and contributions	457,456	584,366	27.7%
General revenues:			
Property taxes	17,306,961	16,771,484	-3.1%
Investment Earnings	411,465	392,667	-4.6%
Miscellaneous	406,253	269,814	-33.6%
Total revenues	<u>18,923,660</u>	<u>18,569,902</u>	-1.9%
<b>Expenses:</b>			
Culture and recreation - Library Services	<u>18,354,107</u>	<u>18,236,033</u>	
Total expenses	18,354,107	18,236,033	-0.6%
Change in net position	<u>569,553</u>	<u>333,869</u>	
Net position - beginning, as previously reported	20,928,488	20,231,151	
Accumulated Depreciation	-	(56,844)	
Compensated absences	-	113,154	
Net pension liability	-	(1,075)	
Net OPEB liability	(1,266,890)	-	
Net position - beginning as restated	<u>19,661,598</u>	<u>20,286,386</u>	
Net position - ending	<u>\$ 20,231,151</u>	<u>\$ 20,620,255</u>	1.9%

## **Governmental Activities**

### **Program Revenues –**

The capital grants and contributions category increased due to the Library District being awarded a construction grant for the expansion of the Tower Road Branch Library.

### **General Revenues –**

Interest earnings on investments decreased due to a decline in economic and market conditions. Miscellaneous revenue decreased due to reimbursement revenue received via E-Rate program offered with Universal Service Administrative Company Bear in prior year.

### **Net Position –**

The Library District's total restated ending net position increased \$333,869 over the previous year.

## **Fund Financial Analysis**

The Library District uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements.

## **Governmental Funds**

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



**Alachua County Library District  
Classifications of Fund Balance**

Total fund balance	\$ 14,951,459
Less classified fund balance:	
Restricted for library materials	2,700
Committed for:	
Library reserve	1,078,990
Library materials	1,437,500
Assigned for:	
Capital projects	9,284,314
Library materials	614,815
FY19 Appropriated Fund Balance	1,333,710
Unassigned fund balance	1,199,430

As of the end of fiscal year 2018, the Library District’s governmental funds reported combined ending fund balances of \$14,951,459 a decrease of \$801,240 from the prior year.

**Major Funds**

The General Fund, the Capital Projects Fund and the Brady Trust Fund are reported as major funds.

The General Fund is the chief operating fund of the Library District. The total fund balance at September 30, 2018 is \$5,934,600. For the fiscal year, the General Fund had a net increase in fund balance of \$284,099. This net increase was the result of property tax revenue increase. As a measure of the General Fund’s liquidity, it is useful to compare total fund balance to total fund revenues. For fiscal year 2018 the ending fund balance represents a 34.41% of total General Fund operating revenue. The District plans to transfer an additional \$3.4 million of fund balance to the Capital Projects Fund in FY 2019 to fund capital projects on a pay-as-you go basis.

The Capital Projects fund has a total fund balance of \$5,882,854, all of which is assigned for future expansion and renovations. The net decrease in fund balance during the fiscal year in Capital Projects was \$1.3 million. The decrease was due to an increase in capital outlay cost.

The Brady Trust fund is a major fund due to an increase in its Corporate Stocks portfolio. See Note 3.B. on page 35 for details of the investments.

## General Fund Budgetary Highlights

The General Fund's original budget (see schedule on page 59) had a change between operating and personal services to cover benefits. Overall actual revenues varied from final budgeted revenues positively by \$399,576. This positive variance is primarily due to the fact that by law, property taxes are budgeted at 95% of the Property Appraisers assessed taxable value, yet actual collections by the Tax Collector are generally around 97%, including amounts from prior years for delinquent taxes. Actual expenditures were less than final budgeted expenditures by \$2,542,324 (positive variance). The Governing Board did not have to use any of the \$865,506 budgeted in reserves for the fiscal year and the remaining net difference of actual results compared to final budget was positive due to tighter spending controls that were put in place by District management.

## Capital Asset and Debt Administration

### Capital Assets

The Library District's investment in capital assets as of September 30, 2018 totals \$19,310,305 (net of accumulated depreciation) and includes land, artwork, buildings and improvements, and equipment and software. The Library District experienced an overall increase in investment in capital assets over the prior fiscal year of approximately 10.10% due to the implementation of the Waldo Branch expansion and the construction of a new Library Partnership Branch.

Further information about the Library District's capital assets can be found in Note 4 on page 40 of this report.

### Alachua County Library District Capital Assets (net of depreciation)

	<b>Governmental Activities</b>	
	<b><u>2017</u></b>	<b><u>2018</u></b>
Land	\$ 1,616,731	\$ 1,616,731
Artwork	103,577	103,577
Construction in progress	2,149,168	528,071
Buildings and improvements	12,793,268	16,186,644
Equipment and software	875,857	875,282
Total	<b><u>\$ 17,538,601</u></b>	<b><u>\$ 19,310,305</u></b>

### **Economic Factors and Next Year's Budgets and Rates**

- The assessed value of residential property increased by 7.86% and commercial property increased by 10.11% for fiscal year 2019.
- Population increased by approximately 1.26% from the prior year to an estimated 263,291 at September 30, 2018.

During the current fiscal year, the net change in fund balance for the General Fund was an increase of \$284,099 for a total ending fund balance of \$5,934,600. The ad valorem tax rate for the General Fund for the upcoming 2019 fiscal year budget is 1.2303 mills, a 2.78% decrease from the current year rate of 1.2655 mills.

### **Requests for Information**

This financial report is designed to present users with a general overview of the Library District's finances. If you have questions concerning any of the information provided in this report or need additional financial information, please contact the Alachua County Clerk of Court, Finance and Accounting, 201 East University Avenue, Gainesville, Florida 32601. Additional financial information can be found on the Library District's web site <http://www.aclib.us>.



**BASIC  
FINANCIAL  
STATEMENTS**





**ALACHUA COUNTY LIBRARY DISTRICT**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2018**

	<b>Primary Government</b>	<b>Component Unit</b>
<b>Assets</b>		
Current assets:		
Equity in pooled cash and investments	\$ 13,861,939	\$ -
Other cash and investments	2,518,841	1,319,217
Accounts receivable, net	36,655	-
Due from other governments	81,271	-
<b>Total current assets</b>	<b>16,498,706</b>	<b>1,319,217</b>
Noncurrent assets:		
Capital assets:		
Land	1,616,731	-
Artwork	103,577	-
Construction in progress	528,071	-
Buildings	27,235,631	-
Equipment	3,241,865	-
Software	548,071	-
Other improvements	810,737	-
Less accumulated depreciation	(14,774,378)	-
<b>Total noncurrent assets</b>	<b>19,310,305</b>	<b>-</b>
<b>Total assets</b>	<b>35,809,011</b>	<b>1,319,217</b>
<b>Deferred Outflow of Resources</b>		
Deferred amounts related to OPEB	88,017	-
Deferred amounts related to pensions	2,103,392	-
<b>Total deferred outflow of resources</b>	<b>2,191,409</b>	<b>-</b>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 1,424,195	\$ -
Due to other governments	123,052	-
Accrued compensated absences due within one year	412,797	-
Net pension liability due within one year	42,000	-
<b>Total current liabilities</b>	<b>2,002,044</b>	<b>-</b>
Noncurrent liabilities:		
Accrued compensated absences	275,198	-
Net OPEB liability	1,325,313	-
Net pension liability	12,238,714	-
<b>Total noncurrent liabilities</b>	<b>13,839,225</b>	<b>-</b>
<b>Total liabilities</b>	<b>15,841,269</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>		
Deferred amounts related to OPEB	6,331	-
Deferred amounts related to pensions	1,532,565	-
<b>Total deferred inflows of resources</b>	<b>1,538,896</b>	<b>-</b>
<b>Net position</b>		
Net investment in capital assets	19,310,305	-
Unrestricted	1,309,950	1,319,217
<b>Total net position</b>	<b>\$ 20,620,255</b>	<b>\$ 1,319,217</b>

See accompanying notes.



**ALACHUA COUNTY LIBRARY DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>Primary Government</b>	<b>Component Unit</b>
<b>Program expense</b>		
Culture and recreation - Library Services	\$ 18,236,033	\$ 46,552
<b>Total program expense</b>	<u>18,236,033</u>	<u>46,552</u>
<b>Program revenues</b>		
Culture and recreation:		
Charges for services	123,991	-
Capital grants and contributions	427,580	-
Operating grants and contributions	584,366	51,259
<b>Total program revenues</b>	<u>1,135,937</u>	<u>51,259</u>
<b>Net program revenue (expense)</b>	<u>(17,100,096)</u>	<u>4,707</u>
<b>General revenues</b>		
Property taxes	16,771,484	-
Investment earnings (loss)	392,667	84,623
Miscellaneous	269,814	-
<b>Total general revenues</b>	<u>17,433,965</u>	<u>84,623</u>
<b>Change in net position</b>	333,869	89,330
<b>Net position, beginning, as previously reported</b>	20,231,151	1,229,887
Accumulated Depreciation	(56,844)	-
Compensated Absences	113,154	-
Net Pension Liability	(1,075)	-
<b>Net position, beginning, as restated</b>	<u>20,286,386</u>	<u>1,229,887</u>
<b>Net position, ending</b>	<u>\$ 20,620,255</u>	<u>\$ 1,319,217</u>

See accompanying notes.

**ALACHUA COUNTY LIBRARY DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2018**

	<b>General</b>	<b>Special Revenue Fund Brady Trust Fund</b>	<b>Capital Projects</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>					
Equity in pooled cash and investments	\$ 6,852,231	\$ 729	\$ 6,389,975	\$ 619,004	\$ 13,861,939
Other cash and investments	3,080	2,515,761	-	-	2,518,841
Accounts receivable	25,067	-	11,588	-	36,655
Due from other governments	81,018	-	253	-	81,271
<b>Total assets</b>	<b>\$ 6,961,396</b>	<b>\$ 2,516,490</b>	<b>\$ 6,401,816</b>	<b>\$ 619,004</b>	<b>\$ 16,498,706</b>
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 903,744	\$ -	\$ 518,962	\$ 1,489	\$ 1,424,195
Due to other governments	123,052	-	-	-	123,052
<b>Total liabilities</b>	<b>1,026,796</b>	<b>-</b>	<b>518,962</b>	<b>1,489</b>	<b>1,547,247</b>
<b>Fund balances</b>					
Restricted for:					
Library materials	-	-	-	2,700	2,700
Committed for:					
Library reserve	-	1,078,990	-	-	1,078,990
Library materials	-	1,437,500	-	-	1,437,500
Assigned for:					
Capital projects	3,401,460	-	5,882,854	-	9,284,314
Library materials	-	-	-	614,815	614,815
FY19 Appropriated Fund Balance	1,333,710	-	-	-	1,333,710
Unassigned	1,199,430	-	-	-	1,199,430
<b>Total fund balances</b>	<b>5,934,600</b>	<b>2,516,490</b>	<b>5,882,854</b>	<b>617,515</b>	<b>14,951,459</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 6,961,396</b>	<b>\$ 2,516,490</b>	<b>\$ 6,401,816</b>	<b>\$ 619,004</b>	<b>\$ 16,498,706</b>

See accompanying notes.

**Alachua County Library District  
Reconciliation of the Balance Sheet  
To the Statement of Net Position - Governmental Funds  
September 30, 2018**

Fund Balances – total governmental funds	\$14,951,459
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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.	19,310,305
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund financial statements. Long-term liabilities at year end consist of:

Compensated absences	(687,995)	
Net OPEB liability	(1,325,313)	
Net pension liability	(12,280,714)	(14,294,022)

Deferred outflows and inflows of resources do not affect current financial resources, and therefore, are not reported in the government funds. Deferred outflows and inflows of resources at year-end consist of:

Deferred outflow on OPEB liabilities	88,017	
Deferred outflow on pension liabilities	2,103,392	
Deferred inflow on OPEB liabilities	(6,331)	
Deferred inflow on pension liabilities	(1,532,565)	652,513

Net position of governmental activities	\$20,620,255
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See accompanying notes.

**ALACHUA COUNTY LIBRARY DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<u>General</u>	<u>Special Revenue Fund Brady Trust Fund</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Property taxes	\$ 16,768,547	\$ -	\$ 2,937	\$ -	\$ 16,771,484
Intergovernmental	-	-	500,000	436,976	936,976
Charges for services	123,991	-	-	-	123,991
Rents and royalties	88,417	-	-	-	88,417
Investment income (loss)	97,940	241,325	53,402	-	392,667
Private donations	-	-	77,580	12,713	90,293
Miscellaneous	166,170	-	2,514	-	168,684
<b>Total revenues</b>	<u>17,245,065</u>	<u>241,325</u>	<u>636,433</u>	<u>449,689</u>	<u>18,572,512</u>
<b>Expenditures</b>					
Culture and recreation					
Personal services	10,880,271	-	-	-	10,880,271
Operating expenditures	4,753,026	-	-	490,704	5,243,730
Capital outlay	-	-	3,249,751	-	3,249,751
<b>Total expenditures</b>	<u>15,633,297</u>	<u>-</u>	<u>3,249,751</u>	<u>490,704</u>	<u>19,373,752</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>1,611,768</u>	<u>241,325</u>	<u>(2,613,318)</u>	<u>(41,015)</u>	<u>(801,240)</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	1,327,669	50,000	1,377,669
Transfers out	(1,327,669)	(50,000)	-	-	(1,377,669)
<b>Total other financing sources (uses)</b>	<u>(1,327,669)</u>	<u>(50,000)</u>	<u>1,327,669</u>	<u>50,000</u>	<u>-</u>
<b>Net change in fund balances</b>	284,099	191,325	(1,285,649)	8,985	(801,240)
<b>Fund balances - beginning</b>	<u>5,650,501</u>	<u>2,325,165</u>	<u>7,168,503</u>	<u>608,530</u>	<u>15,752,699</u>
<b>Fund balances - ending</b>	<u>\$ 5,934,600</u>	<u>\$ 2,516,490</u>	<u>\$ 5,882,854</u>	<u>\$ 617,515</u>	<u>\$ 14,951,459</u>

See accompanying notes.

**Alachua County Library District**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended September 30, 2018**

Net change in fund balances – total governmental funds (\$801,240)

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. This is the amount by which depreciation (\$810,154) was less than capital outlay \$2,638,702 in the current period. 1,828,548

The net change in net pension liability, deferred outflows, and deferred inflows are reported in the statement of activities, but not in governmental funds.

Change in net pension liability	394,949	
Change in deferred outflows	(396,116)	
Change in deferred inflows	(547,455)	
		(548,622)

The net change in net OPEB liability and deferred inflows are reported in the statement of activities, but not in governmental funds.

Change in net OPEB liability	(84,357)	
Change in deferred outflows	88,017	
Change in deferred inflows	1,331	
		4,991

Certain accrued revenues reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance are considered available current financial resources and therefore are reported as revenue in the governmental funds. These revenues were previously accrued in prior year in the Statement of Activities. (150,000)

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 the governmental funds (decrease in compensated absences \$192). 192

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Changes in net position of governmental activities \$333,869

See accompanying notes.

**ALACHUA COUNTY LIBRARY DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2018**

	<u><b>Employee Pension Fund</b></u>
<b>Assets</b>	
Investments, at fair value:	
Goldman Sachs Money Market Fund Treasury Only	\$ 332,963
Vanguard Total Stock Market Index Mutual Fund	15,467,893
American Funds EuroPacific Growth Fund	2,015,368
PIMCO Diversified Income Mutual Fund	986,191
Fixed income securities:	
U.S. Government obligations	3,110,208
Mortgage backed securities	3,112,735
Corporate bonds	3,529,418
Total investments, at fair value	<u>28,554,776</u>
Investment adjustments:	
Receivable for pension investments	<u>49,996</u>
<b>Total assets</b>	<b>28,604,772</b>
<b>Total liabilities</b>	<u><b>16,425</b></u>
<b>Net position</b>	
Restricted for pension benefits	<u><u><b>\$ 28,588,347</b></u></u>

See accompanying notes.

**ALACHUA COUNTY LIBRARY DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND - PENSION TRUST FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Additions**

Contributions:

Employer	\$ 864,162
Members	78,277
Total contributions	942,439

Investment earnings:

Net appreciation (depreciation) in fair value of investments	1,866,038
Dividends	344,778
Interest Income	245,600
Total investment income (loss)	2,456,416

Less investment expense	(94,386)
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Net investment income	2,362,030
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<b>Total additions</b>	<b>3,304,469</b>
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**Deductions**

Benefit payments	(1,892,447)
Refund of contributions	-
Administrative expenses	(62,400)
<b>Total deductions</b>	<b>(1,954,847)</b>

<b>Change in net position</b>	1,349,622
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<b>Net position restricted for pension benefits - beginning</b>	<b>27,238,725</b>
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<b>Net position restricted for pension benefits - ending</b>	<b>\$ 28,588,347</b>
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See accompanying notes.





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**ALACHUA COUNTY LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018**

**Note 1 - Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Alachua County Library District is an independent special taxing district created for the purpose of providing library system services and facilities for all citizens of Alachua County, Florida.

The Alachua County Library District was established, effective April 1, 1986, by Chapter 85-376 Laws of Florida (the Act) and currently operates under the authority of Chapter 98-502, Laws of Florida as amended by Chapter 2003-375 which changed the composition of the Board of Governors to six members: three members of the Board of County Commissioners of Alachua County, Florida, two members of the Gainesville City Commission and one member of the Alachua County School Board.

The accompanying financial statements present the Library District (primary government) and the Component Unit for which the Library District is financially accountable.

**Discretely Presented Component Unit - Alachua County Library District Foundation**

The government-wide financial statements include the financial data of the Library District's Component Unit – the Alachua County Library District Foundation. The Library District Foundation is discretely presented in the government-wide financial statements to emphasize its legal separation from the Library District.

The Foundation is a support group for the Alachua County Library District. Incorporated in 1989 as a 501(c)(3) non-profit corporation, the Foundation's mission is to provide supplemental funding to the Library with an emphasis on long-term support and planned giving. The Foundation's major goal is to build an endowment that will provide funds for the Library District on an annual basis. Although the District does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon that the Foundation holds and invests is restricted to the Library's activities by the donors. The Foundation is a discretely presented component unit as the nature and relationship with the Library District is significant and to exclude the Foundation would cause the Library District's financial statements to be misleading. The Foundation does not prepare separately issued financial statements.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Alachua County Library District. 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. All activities of the Alachua County Library District are considered to be governmental activities.

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The statement of activities demonstrates the degree to which the direct expenses of the Alachua County Library District are offset by program revenues. Program revenues include charges to customers and restricted grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental 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. Property taxes are the major revenue source that is susceptible to accrual. 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 government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, however, as well as expenditures related to compensated absences, are recorded only when payment is due. Property taxes and all other revenue items are considered to be measurable and available only when cash is received within 30 days of the end the current fiscal period by the Alachua County Library District.

Fiduciary funds include trust funds and agency funds. All trust funds use the economic resources measurement focus and the accrual basis of accounting. The Library currently has no agency funds.

The Alachua County Library District reports the following major governmental funds:

- The **General Fund** is the Alachua County Library District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.
- The **Brady Trust Fund** accounts for the activities in the Marna Venable Brady Trust, an unrestricted contribution received by the Library District in 1993. The Library District Governing Board committed the principal to remain intact and a determined amount be transferred annually to the Gifts and Donations Fund to be used for library materials.
- The **Capital Projects Fund** accounts for financial resources to be used for the acquisition or construction of major capital facilities as well as all capital equipment purchases.

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Additionally, the government reports the following fiduciary fund:

- The **Pension Trust Fund** accounts for the activities of the Alachua County Library Pension Plan, which accumulates resources for pension benefit payments to qualified employees.

**D. Budgets and Budgetary Accounting**

The Library District has elected to report budgetary information as required supplementary information (RSI). Please refer to the accompanying notes to the RSI on page 59 for the District's budgetary information.

**E. Assets, Liabilities, Deferred Inflows/Outflows and Net Position**

- **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general, special revenue and capital projects funds. Encumbrances outstanding (if any) at year-end are reported in the applicable fund balance category since they do not constitute expenditures or liabilities.

- **Investments**

Investments are reported at fair value in accordance with GASB Statement No. 72.

- **Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

- **Restricted Net Position**

Certain assets of the Library District are classified as restricted on the statement of net position because a restriction is either imposed by law through constitutional provisions or enabling legislation, or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. Therefore, applicable laws and regulations limit their use. It is the practice of the Library District to utilize restricted assets before unrestricted assets.

- **Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by Library District policy to include items of a non-consumable nature with a value of at least \$5,000 and a life of one year or more. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition 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 assets' lives are not capitalized.

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

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<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	10-15
Vehicles	5
Equipment & Software	2-15

- **Accrued Compensated Absences**

The Alachua County Library District's employees are entitled to accrue an unlimited number of hours of paid time off leave (PTO). Upon termination, employees can be paid up to 240 hours of PTO. Participants of the pension plan with at least five years of service convert unused PTO in excess of 240 hours to credited service time. All PTO is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations and retirements.

- **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

- **Pensions**

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

- **Post-Employment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Alachua County OPEB Plan and additions to/deductions from Alachua County OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Alachua County OPEB Plan. For this purpose, the Alachua County OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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- **Deferred Inflows/Outflows**

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources have a positive effect on net position, similar to assets, and deferred inflows of resources have a negative effect on net position, similar to liabilities. Notwithstanding those similarities, deferred outflows of resources are not assets and deferred inflows of resources are not liabilities and accordingly are not included in those sections of the statement of financial position.

- **Classifications of Fund Balances**

In fiscal year 2011, the Library District implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are reported in classifications based on whether the amounts are nonspendable or are further classified based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent. See Note 10, *Governmental Fund Balances* for additional information.

**F. Risk Management**

The Library District is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors or omissions; injuries to employees and the public, or damage to property of others. The Alachua County Library District has established a risk management program through the purchase of insurance to cover potential losses related to such risks for property and automobile liabilities. For workers compensation claims the Library District participates in Alachua County's self-insured plan. This plan is self-sustaining through premiums based on actuarial assessments needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

The Library District also participates in the County's group health insurance program administered by the County in a self-insured plan. Payments are assessed based on actuarial estimates of the amounts needed to pay current year claims and to establish a reserve for catastrophic losses.

There was no significant reduction in coverage from prior years. No settlements have exceeded coverage for each of the past three fiscal years. Additional information may be obtained from the Alachua County Comprehensive Annual Financial Report, available from the Alachua County Clerk of Court, Finance & Accounting, 201 East University Avenue, Gainesville, Florida 32601.

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**Note 2 - Property Taxes**

The Legislative Act (the Act), which created the Alachua County Library District, allowed for the levy of ad valorem taxes. The millages allowed under the Act and the millages levied during fiscal year ended September 30, 2018, are as follows:

<u>Millages Allocated to:</u>	<u>Allowable Millage</u>	<u>Millage Levied</u>
General Operations	1.5 Mills	1.2655
Voted Debt	Unlimited*	.0000 Mills

\* Determined based upon amount of debt issued.

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed in October and are payable upon receipt with discounts at the rate of 4% if paid in November, decreasing by 1% per month with no discount available if paid in the month of March.

**Note 3 - Cash and Investments**

The Alachua County Library District, for accounting and investment purposes, maintains an internal investment pool (the "Pool") that includes all the District's cash deposits and investments, except for those monies, which are legally restricted to separate administration or administered by other agencies. Each fund's portion of the Pool is displayed on the governmental funds balance sheet as "equity in pooled cash and investments."

Deposits and investments as of September 30, 2018 are classified in the accompanying financial statements as follows:

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**Statement of Net Position**

**Primary Government**

Equity in pooled cash and investments	\$ 13,861,939
Other cash and investments	2,518,841

**Component Unit**

Other cash and investments	1,319,217
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**Statement of Fiduciary Net Position:**

Investments	
Goldman Sachs MMMF	332,963
Mutual Fund Equities	15,467,893
Mutual Fund International Equities	2,015,368
PIMCO Diversified Income Mutual Fund	986,191
Fixed Income Securities	9,752,361
Total cash and investments	<u>\$ 46,254,773</u>

Deposits and investments as of September 30, 2018 consist of the following:

**Library Operating Surplus Governmental Funds**

Deposits with financial institutions	\$ 763,926
Investments	13,100,364

**Component Unit**

Deposits with financial institutions	35,086
Investments	1,284,131

**Pension Fund**

Investments	28,554,776
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**Brady Trust Fund (Wells Fargo Advisors)**

Deposits with financial institutions	241,084
Investments	2,275,406
Total cash and investments	<u>\$ 46,254,773</u>

**A. Cash Deposits**

Deposits in banks and thrift institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All of the Alachua County Library District's operating cash deposits and the Pension Trust Fund's cash deposits are placed with qualified financial institutions and are fully insured or collateralized. Deposits of the Component Unit are insured or collateralized by the Federal Depository Insurance Corporation.



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**B. Investments**

The Alachua County Library District has formally adopted investment policies for Operating Funds, the Pension Fund and the Brady Trust Fund, each with its own set of legal and contractual provisions as described below.

*Operating Funds Investment Policy:* The Library District adopted the Operating Fund Investment Policy with Resolution 95-2, which provides for the investment of surplus operating public funds in the following instruments, none of which shall be in the form of derivatives. The following types of investments are allowed by the policy and F.S. 218.415:

- The State Board of Administration’s Florida Local Government Investment Pool (Florida PRIME) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in F.S. 163.01.
- Negotiable direct obligations, or obligations which are unconditionally guaranteed by the United States Government
- Interest-bearing time deposits or savings accounts in certain financial institutions provided that any such deposits are secured by collateral as may be prescribed by law
- Obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, or Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association.
- Securities of or other interests in, any registered open-end or closed-end management type investment company or investment trust provided the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

*Investment Holdings Operating Funds:* As of September 30, 2018, the Alachua County Library District had the following investments in its internal investment pool:

<b>Investments</b>	<b>Duration (Years)</b>	<b>Fair Value</b>
Fidelity Treasury Money Market fund	27 days	\$ 53,702
Florida Prime	33 days	2,513,873
Freddie Mac Global Notes (PFM)	0.40	641,163
Fannie Mae Global Notes (PFM)	1.42	2,114,493
Federal Home Loan Bank (PFM)	0.56	1,065,628
Municipal Bonds/Notes (PFM)	2.37	99,668
US Treasuries (PFM)	2.00	4,950,444
Florida Local Government Investment Trust	1.51	1,661,393
Total holdings in Investment Pool		<u><u>\$ 13,100,364</u></u>

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*Brief Description of each Investment Type in Internal Investment Pool:*

Fidelity Treasury (Only) Money Market Fund: An open-end pool that seeks as high a level of current income as is consistent with the security of principal and liquidity. The Fund seeks to preserve and maintain a stable net asset value of \$1.00 per share. The Fund maintains a weighted average maturity of 60 days or less. This Fund is held in the trust department at Regions Bank and is also used as a sweep account for individual security transactions bought and sold by PFM Asset Management.

State Board of Administration's Local Government Investment Pool (Florida Prime Fund): The State of Florida's Local Government Investment Pool is administered by the Florida State Board of Administration (SBA), which provides regulatory oversight. The powers and duties of the SBA are defined in Florida Statute 218.409. In addition, Chapter 19-7 of the Florida Administrative Code identifies the rules and regulations governing the administration of the State Pools. These rules provide guidance and establish the general operating procedures for the administration of the pool. The SBA provides regulatory oversight for the Florida PRIME Fund. As a pool participant, the Library District owns a share of the respective pool, not the underlying securities.

The Florida PRIME Fund is an external investment pool that has adopted operating procedures consistent with the requirements of GASB Statement No. 79 to measure its investments at amortized cost. Therefore, the District's investment in PRIME is at amortized cost. The rules for redemption gates and liquidity fees for the investment pool are established in Florida Statute 218.409. As of September 30, 2018, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit the District's daily access to 100 percent of their account value.

Additional information on the Florida PRIME Fund may be obtained from the State Board of Administration ([www.sbafla.com](http://www.sbafla.com)).

Florida Local Government Investment Trust: Is a Short term bond fund created in December 12, 1991 through the joint efforts of the Florida Court Clerks and Comptrollers and the Florida Association of Counties. It is the longest running member-owned and member-governed local government investment pool in the State of Florida. The Fund is rated AAAs by Standard and Poors. The Fund is structured to maintain safety of principal and maximize available yield through a balance of quality and diversification. No specific investments are assigned to the Library District, rather the District's investment is equal to the total fund net asset value times the District's units as a percentage of total units outstanding. Any dividends or interest of the pooled bond fund are reinvested. The District may withdraw either a portion of or 100 percent of its account value at any time without limitation.

US Treasuries; Federal Agency Securities; and Municipal Obligations: The Library District contracts with PFM Asset Management LLC, Independent Investment Advisor, to manage a portion of the operating portfolio. PFM is authorized to invest in US Treasuries, Federal

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Agencies and Municipal Bonds on behalf of the District. At year end, PFM directly managed \$8,871,396 (fair value) which was invested in the following sectors: \$4,950,444 - US Treasuries; \$3,821,284 - Federal Agencies and \$99,668 - Municipal Bonds/Notes.

Description of Component Unit Investment Holdings:

The Alachua County Library District Foundation may invest in stocks, bonds, or other appropriate investments as governed by action of the Foundation Board of Trustees. As of September 30, 2018, \$1,284,131 was invested in mutual funds.

Description of Pension Trust Fund Investments:

The Library District Governing Board adopted a Pension Trust Fund Investment Policy that applies to all funds and assets held by the Alachua County Library District for the benefit of the Pension Trust Fund. Investments of the Pension Trust Fund may be made in stocks, bonds or other appropriate investments as governed by the adopted pension investment policy, general law or action of the Governing Board.

As of September 30, 2018, the Pension Trust Fund investments were held in custody by Regions Keegan Morgan Trust at Regions Bank. The following is a breakdown of the investments:

Goldman Sachs Money Market Mutual Fund		\$ 332,963
Vanguard Total Stock Market Index Mutual Fund		15,467,893
American Funds EuroPacific Growth Fund		2,015,368
PIMCO Diversified Income Mutual Fund		986,191
 Fixed Income Securities:		
U. S. Government obligations	3,110,208	
Mortgage Backed Securities	3,112,735	
Corporate bonds	3,529,418	
Subtotal Fixed Income Securities		9,752,361
<b>Total Pension Fund investments</b>		<b>\$ 28,554,776</b>

Brady Trust Fund Investments:

In March of 1993, the Alachua County Library District received a donation of the Marna Venable Brady Trust. The Alachua County Library District Governing Board set the policy that the proceeds from this donation be committed to the purchase of books for the Library District and committed that the amount of the original contribution plus an amount representing inflation remain intact indefinitely. This portion (\$1,078,990) is considered committed according to the new fund balance policy. The Library District accepted ownership of the Brady Trust as it was currently invested. The Brady Trust consists of an investment portfolio with a money market account and assorted stocks and bonds invested through the brokerage firm Wells Fargo. The Library District has entered into an agreement with Wells Fargo to perform investing services for the Brady Trust which include purchasing or acquiring, selling or disposing of securities only on

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order of the Clerk or his designee along with the Library Director or her designee. Wells Fargo holds such securities in the name of the District as Trustee for the District.

The following is a breakdown of the Brady Trust Special Revenue Fund Investments as of September 30, 2018:

Mutual Fund	\$	96,659
Corporate stocks		2,178,747
Total Brady Trust investments	\$	2,275,406

Custodial Credit Risk – Deposits: Deposits are exposed to custodial credit risk if they are not covered by depository insurance and they are uncollateralized with securities held by the pledging financial institution’s trust department or agent, but not in the District’s name.

The District’s operating investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2018, all District bank deposits were in qualified public depositories and collateralized by the Bureau of Collateral Securities, Division of the Treasury, State Department of Insurance.

In addition, all Pension Fund, Brady Trust, and Component Unit deposits are either entirely insured or collateralized by the Federal Depository Insurance Corporation or the Bureau of Collateral Securities, Division of the Treasury, State Department of Insurance.

Custodial Credit Risk – Investments: Investment securities are exposed to custodial credit risk if they are uninsured and are not registered in the name of the government and are held by either the counterparty or by the counterparty’s trust department or agent but not in the government’s name.

The District’s operating investment policy requires execution of a third-party custodial safekeeping agreement for all purchased securities, and requires that securities be held in the Library District’s name. As of September 30, 2018, all of the District’s investments are held in Region Bank’s trust department in the District’s name.

The Pension Trust Fund is invested in accordance with the custody agreement with Regions Bank. Securities are held in Regions Keegan Morgan Trust, held in the Library District’s name, in one of three accounts: The Receipts and Disbursements account invested in Goldman Sachs FS Treasury obligations Fund Service; the Mutual Fund account for passive management of equities and Sawgrass Fixed Income Securities; the Sawgrass Fixed Income Securities account is actively managed by Sawgrass Asset Management, LLC, and consists of U.S. Treasuries, Federal Agency Notes and Corporate Bonds.

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Both the Component Unit and Brady Trust investments carry a *custodial credit risk*. This is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities in the possession of an outside party.

*Credit Risk:*

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District’s operating investment policies have a provision that the investment (excluding 2a7- like pools) be rated by a nationally recognized rating agency at the time of purchase in either of its two highest rating categories (within which there may be sub-categories or gradations indicating relative standing). This policy only applies to the District’s operating investments.

Presented below is the rating as of year-end for each major investment type and classification (Operating, Component Unit, Pension, and Brady Trust):

*Credit Risk –Internal Investment Pool (Operating Investments):*

<b>Investments</b>	<b>Rating (S&amp;P)</b>	<b>Fair Value</b>
Fidelity Treasury Money Market fund	AAAm	\$ 53,702
Florida Prime	AAAm	2,513,873
Florida Local Government Investment Trust	AAAf	1,661,393
US Treasuries (PFM)	AA+	4,950,444
Federal Home Loan Bank	AA+	1,065,628
Freddie Mac Global Notes (PFM)	AA+	641,163
Fannie Mae Global Notes (PFM)	AA+	2,114,493
California State Taxable Go Bonds	AA-	99,668
Total holdings in Investment Pool		<u><u>\$ 13,100,364</u></u>

*Credit Risk-Component Unit:*

At September 30, 2018, the Foundation had investments in unrated closed-end Mutual Funds totaling \$1,284,131.

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*Credit Risk-Pension Trust Fund:* Presented below is the rating as of year-end for each investment type held by the Library District's Pension Trust Fund:

<b>Investments</b>	<b>Rating (Moody's)</b>	<b>Fair Value</b>
Goldman Sachs MMMF	Aaa	\$ 332,963
U. S. Government Obligations	Aaa	3,110,208
Corporate Bonds	Aa, Aa1, Aa2, Aa3	187,886
Corporate Bonds	A, A1, A2, A3	2,212,150
Corporate Bonds	Baa, Baa1, Baa2, Baa3	1,068,959
Corporate Bonds	WR	60,423
American Funds EuroPacific Growth Fund	Exempt from disclosure	2,015,368
Vanguard Total Stock Market MF	Exempt from disclosure	15,467,893
Mortgage backed securities	AA+	3,112,735
PIMCO Diversified Income Mutual Fund	Unrated	986,191
Total holdings in Pension Trust		<u><u>\$ 28,554,776</u></u>

*Interest Rate Risk – Investments:* Section 218.415(6), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District has a formal investment policy for operating surplus funds that limits investment maturities to two years as a means of managing its exposure to fair value losses from increasing interest rates. Below is a detailed investment schedule organized by debt type, amount, and segmented time distribution. Overnight investment vehicles such as Money Market Funds & external government investment pools have been excluded from the table.

<b>Type Investment</b>	<b>Fair Value</b>	<b>3 months - 1 year</b>	<b>1 - 5 year</b>	<b>&gt; 5 year</b>
<b>Library Operating Funds</b>				
US Treasuries	\$ 4,950,444	\$ -	\$ 4,950,444	\$ -
Federal Agencies	3,821,284	1,794,641	2,026,643	-
Municipal Obligations	99,668	-	99,668	-
<b>Pension Trust</b>				
US Govt Obligations	3,110,208	999,461	1,625,467	485,280
Mortgage Backed Sec	3,112,735	-	337,671	2,775,064
Corporate Bonds	3,529,418	-	1,305,106	2,224,312
Total debt investments	<u><u>\$ 18,623,757</u></u>	<u><u>\$ 2,794,102</u></u>	<u><u>\$ 10,344,999</u></u>	<u><u>\$ 5,484,656</u></u>

*Concentration of Credit Risk:* The District's adopted investment policy requires that assets held be diversified to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which these instruments are bought or sold. The District places no limit on the amount the District may invest in any one issuer. Diversification strategies within the established guidelines are reviewed and revised periodically as necessary by the appropriate management staff. More than 5 percent of the District's investments are invested in Federal Home Loan Bank (8.13%) and Fannie Mae (16.14%).

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**C. Fair Value Measurements**

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

The District relied on a third party company to obtain fair value quotes for all investments. A matrix pricing model is used to value the District's investments based on the investments' relationship to benchmark quoted prices. The following table summarizes the District's assets (and liabilities) as of September 30, 2018, for which fair values are determined on a recurring basis:

Type Investment	Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Operating investments by fair value level</b>				
US Treasuries	\$ 4,950,444	\$ -	\$ 4,950,444	\$ -
Federal Agencies	3,821,284	-	3,821,284	-
Municipal Obligations	99,668	-	99,668	-
Fidelity Treasury Money Market Fund	53,702	53,702	-	-
<b>Component Unit investments by fair value</b>				
Mutual Funds	1,284,131	-	1,284,131	-
<b>Pension Trust investments by fair value level</b>				
US Govt Obligations	3,110,208	-	3,110,208	-
Mortgage Backed Sec	3,112,735	-	2,940,404	172,331
Corporate Bonds	3,529,418	-	3,529,418	-
Mutual Funds	18,802,415	18,802,415	-	-
<b>Brady Trust investments by fair value level</b>				
Corporate Stocks	2,178,747	-	2,178,747	-
Mutual Funds	96,659	-	96,659	-
Total investments by fair value level	<u>\$ 41,039,411</u>	<u>\$ 18,856,117</u>	<u>\$ 22,010,963</u>	<u>\$ 172,331</u>
<b>Operating investments measured at the net asset value (NAV)</b>				
Florida Prime	\$ 2,513,873			
Florida Government Investment Trust	1,661,393			
Total investments measured at NAV	<u>4,175,266</u>			
Total	<u>\$ 45,214,677</u>			

**ALACHUA COUNTY LIBRARY DISTRICT  
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**Note 4 - Capital Assets**

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

	<b>Beginning Balance Restated</b>	<b>Additions</b>	<b>Deletions</b>	<b>Adjustments</b>	<b>Ending Balance</b>
<b>Governmental Activities:</b>					
Capital not being depreciated:					
Land	\$ 1,616,731	\$ -	\$ -	\$ -	\$ 1,616,731
Artwork	103,577	-	-	-	103,577
Construction in progress	2,149,168	2,372,241	-	(3,993,338)	528,071
Total not being depreciated	<u>3,869,476</u>	<u>2,372,241</u>	<u>-</u>	<u>(3,993,338)</u>	<u>2,248,379</u>
Capital Assets being depreciated:					
Buildings	23,242,293	-	-	3,993,338	27,235,631
Equipment	3,052,436	266,461	(77,032)	-	3,241,865
Software-Internally Developed	31,828	-	-	-	31,828
Software	516,243	-	-	-	516,243
Improvements other than building	810,737	-	-	-	810,737
Total being depreciated	<u>27,653,537</u>	<u>266,461</u>	<u>(77,032)</u>	<u>3,993,338</u>	<u>31,836,304</u>
Less accumulated depreciation for:					
Buildings	(10,748,628)	(525,953)	-	-	(11,274,581)
Equipment	(2,342,905)	(221,499)	77,032	-	(2,487,372)
Software-Internally Developed	(31,828)	-	-	-	(31,828)
Software	(362,633)	(32,821)	-	-	(395,454)
Improvements other than building	(555,262)	(29,881)	-	-	(585,143)
Total accumulated depreciation	<u>(14,041,256)</u>	<u>(810,154)</u>	<u>77,032</u>	<u>-</u>	<u>(14,774,378)</u>
Total being depreciated, net	<u>13,612,281</u>	<u>(543,693)</u>	<u>-</u>	<u>3,993,338</u>	<u>17,061,926</u>
<b>Governmental activities capital assets, net</b>	<u>\$17,481,757</u>	<u>\$ 1,828,548</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$19,310,305</u>

Depreciation expense for the year ended September 30, 2018 was \$810,154, all recorded in the Culture & Recreation Program.



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**Note 5 - Employee Benefits**

The Library District Pension Board of Trustees amended the Library District Pension Plan on November 6, 2007 to allow each Library employee hired prior to January 1, 2008 a one-time irrevocable election to either freeze their accrued pension benefit under the pension plan effective December 31, 2007 and join the Florida Retirement System (FRS) Plan, or remain in the Pension Plan as constituted on the date of election. There were 62 employees who elected to freeze their accrued pension benefit and join the FRS on January 1, 2008. All employees hired after January 1, 2008 will only be allowed to participate in the FRS Plan.

The Library District Governing Board adopted Resolution 07-12 on November 6, 2007 authorizing an agreement between the Library and the Florida Retirement System for eligible employees starting January 1, 2008.

**A. State of Florida Pension Plans**

**Defined Benefit Plans**

The Library participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (850) 488-6491.

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

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

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Benefits Provided

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

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

Contributions

The contribution requirements of plan members and the Library are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS. The Library's contribution rates as of September 30, 2018, were as follows:

	<u>FRS</u>	<u>HIS</u>
Regular Class	6.60%	1.66%
Senior Management Service Class	22.40%	1.66%
Elected Officials	47.04%	1.66%
DROP from FRS	12.37%	1.66%

The Library's contributions for the year ended September 30, 2018, were \$314,868 to the FRS and \$89,806 to the HIS.

Pension Liabilities and Pension Expense - At September 30, 2018, the Library reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2018. The total pension liability for the FRS Pension Plan and HIS Program was determined by actuarial valuations dated July 1, 2018. The Library's proportions of the net pension liabilities were based on the Library's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

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	<u>FRS</u>	<u>HIS</u>
Net pension liability at September 30, 2018	\$ 3,251,782	\$ 1,717,041
Proportion at:		
September 30, 2018	0.01080%	0.01622%
September 30, 2017	0.01059%	0.01600%
Pension expense (benefit), year ended		
September 30, 2018	\$ 628,992	\$ 179,578

*Deferred Outflows/Inflows of Resources Related to Pensions* - At September 30, 2018, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>FRS</u>		<u>HIS</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 275,475	\$ (9,998)	\$ 26,287	\$ (2,917)
Changes of assumptions	1,062,524	-	190,956	(181,540)
Net difference between projected and actual earnings on pension plan investments	-	(251,240)	1,036	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	184,077	-	191,701	-
Employer contributions subsequent to the measurement date	75,840	-	21,273	-
<b>Total</b>	<b>\$ 1,597,916</b>	<b>\$ (261,238)</b>	<b>\$ 431,253</b>	<b>\$ (184,457)</b>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2019. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

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Year ending September 30,	<u>FRS</u>	<u>HIS</u>
2019	\$ 488,493	\$ 75,439
2020	333,578	75,352
2021	68,617	53,180
2022	211,120	30,689
2023	137,958	(5,006)
Thereafter	21,072	(4,131)
<b>Total</b>	<b>\$ 1,260,838</b>	<b>\$ 225,523</b>

*Actuarial Assumptions*

The total pension liability for each of the defined benefit plans was measured as of June 30, 2018. The total pension liability for the FRS Pension Plan and HIS Program was determined by actuarial valuations dated July 1, 2018. Both plans use the entry age normal actuarial cost method and the following significant actuarial assumptions:

	<u>FRS</u>	<u>HIS</u>
Inflation	2.60%	2.60%
Salary increases	3.25%	3.25%
Discount Rate	7.00%	3.87%
Investment rate of return	7.00%	N/A

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

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

The following changes in actuarial assumptions occurred in 2018:

FRS: The long-term expected investment rate of return and the discount rate used to determine the total pension liability decreased from 7.10% to 7.00%.

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 3.58% to 3.87%.

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

**ALACHUA COUNTY LIBRARY DISTRICT  
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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1.00%	2.90%	2.90%
Fixed income	18.00%	4.40%	4.30%
Global Equity	54.00%	7.60%	6.30%
Real estate (property)	11.00%	6.60%	6.00%
Private equity	10.00%	10.70%	7.80%
Strategic investments	6.00%	6.00%	5.70%
	<u>100.00%</u>		

*Discount Rate*

The discount rate used to measure the total pension liability for the FRS Pension Plan was 7.00%. The FRS 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. The 7.0% rate of return assumption is reasonable and appropriate per Actuarial Standard of Practice Number 27 (ASOP 27).

The discount rate used for calculating the total HIS pension liability is equal to the single rate that results in the same actuarial present value as would be calculated by using two different discount rates for the discount at the long-term expected rate of return for benefit payments prior to the projected depletion of the fiduciary net pension (trust assets) and the discount at a municipal bond rate for benefit payments after the projected depletion date. Because the HIS Program is essentially funded on a pay-as-you-go basis and the depletion date is considered to be immediate, the single municipal bond rate of 3.87% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

*Sensitivity Analysis*

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

**ALACHUA COUNTY LIBRARY DISTRICT  
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	FRS			HIS		
	Current Discount			Current Discount		
	1% Decrease (6.00%)	Rate (7.00%)	1% Increase (8.00%)	1% Decrease (2.87%)	Rate (3.87%)	1% Increase (4.87%)
Employer's proportionate share of the net pension liability	\$ 5,934,639	\$ 3,251,782	\$ 1,023,511	\$ 1,955,609	\$ 1,717,041	\$ 1,518,181

**Pension Plans' Fiduciary Net Position**

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

**Defined Contribution Plan**

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2018, totaled \$134,104.

**B. Library Pension Plan**

**Plan Description**

The Alachua County Library District Pension Plan ("Plan") is administered by the Alachua County Library Pension Board of Trustees which is comprised of three appointed County Commissioners, two appointed City Commissioners, and one appointed School Board Member. The Plan is a contributory defined benefit single-employer pension plan with an effective date of October 1, 1986. The Library District accounts for the Plan as a Pension Trust Fund. The Plan is also governed by certain provisions of Chapter 112, Florida Statutes.

At October 1, 2017, the plan membership consisted of:

Inactive members of beneficiaries currently receiving benefits	101
Inactive members entitled to but not yet receiving benefits	85
Active members all of whom are vested as of 10/1/17	<u>49</u>
<b>Total</b>	<b><u>235</u></b>

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*Benefits Provided*

The Plan provides retirement benefits, as well as death benefits. All benefits vest after five years of credited service (by plan amendment effective October 1, 1996).

Employees who retire with either twenty years of credited service or reach age 65 with five years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2% of their final average compensation times credited service. Employees with fifteen years of credited service may retire at or after age 55 and receive a reduced retirement benefit.

The Plan provides death benefits whereby members eligible for normal or early retirement receive benefits payable as though the deceased member had selected the 10 year Certain & Life benefit. For members that are vested, but not yet eligible for normal or early retirement, the death benefit is payable as a lump sum. For non-vested members, the death benefit is a refund of contributions without interest.

Effective October 1, 2001, the cost of living adjustment was based upon the change in Consumer Price Index, with a maximum of 2% annually. Effective October 1, 2004, the maximum was increased to 2.2%.

*Contributions*

The Alachua County Library District Board of Governors established the Plan and has the authority for amending any plan/benefit provisions.

The funding policy provides for periodic employer contributions based on an actuarially determined contribution calculated by an independent actuary. The actuarially determined contribution is an estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability, plus administrative expenses.

The total (employer and employee) required contribution rate expressed as a percentage of current year payroll is 48.15%. This contribution rate was determined as part of the October 1, 2017, actuarial valuation. Covered employees were required to contribute 4% of their salary to the Plan. The Library District is required to contribute the difference, which is 44.15% of covered payroll. The Library's contributions for the year ended September 30, 2018, were \$864,162.

*Pension Liabilities and Pension Expense*

At the measurement date, September 30, 2018, the Library reported a liability for the Plan's net pension liability of \$7,311,891. The Library recognized pension expense of \$1,008,886 for the year ended September 30, 2018.

**ALACHUA COUNTY LIBRARY DISTRICT  
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*Deferred Outflows/Inflows of Resources Related to Pensions*

At September 30, 2018, the Library reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 74,223	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(1,086,870)
<b>Total</b>	<b>\$ 74,223</b>	<b>\$ (1,086,870)</b>

Pension-related amounts of the Plan reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30,	Plan
2019	\$ (67,685)
2020	(505,541)
2021	(341,392)
2022	(98,029)
2023	-
Thereafter	-
<b>Total</b>	<b>\$ (1,012,647)</b>

*Actuarial Assumptions*

The total pension liability for the Plan was determined by an actuarial valuation using present values and obligations based on employee data as of the plan year beginning October 1, 2017, and rolled forward using actuarial methods to the measurement date of September 30, 2018. The Plan's valuation used the entry age normal actuarial cost method and the following significant actuarial assumptions:

Inflation	2.50%
Salary increases	2.80%
Investment rate of return	7.00%



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Mortality assumptions were based on the RP2000 Small Plan Combined Mortality Table by gender and updated from Scale AA to Scale BB.

The actuarial assumptions used in the October 1, 2017 valuation were based on the results of an extensive actuarial experience study that was completed in 2012 for the period October 1, 2006, through September 30, 2011.

The long-term expected investment rate of return was not based on historical returns, but instead was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For the Plan, the table below summarizes the target allocation and best estimates of arithmetic real rates of return for each major asset class.

Asset Class	Target Allocation	Annual Arithmetic Return
Domestic Equity	50.00%	10.00%
International Equity	10.00%	11.00%
Domestic Bonds	35.00%	5.00%
International Bonds	5.00%	6.00%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability for the Plan was 7.0%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

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**Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 09/30/2017</b>	\$ 35,069,113	\$ 27,238,725	\$ 7,830,388
Changes for the year:			
Service Cost	205,955	-	205,955
Interest	2,404,139	-	2,404,139
Differences between expected and actual experience	113,477	-	113,477
Changes of Assumptions	-	-	-
Contributions-employer	-	864,162	(864,162)
Contributions-employee	-	78,277	(78,277)
Net investment income	-	2,362,029	(2,362,029)
Benefit payments, including refunds of employee contributions	(1,892,447)	(1,892,447)	-
Administrative expense	-	(62,400)	62,400
Other	-	-	-
<b>Net changes</b>	831,124	1,349,621	(518,497)
<b>Balances at 09/30/2018</b>	\$ 35,900,237	\$ 28,588,346	\$ 7,311,891

*Sensitivity Analysis*

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

	Plan		
	Current Discount		
	1% Decrease (6.00%)	Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 11,638,702	\$ 7,311,891	\$ 3,718,380

**Pension Plan's Fiduciary Net Position**

Detailed information about the Plan's fiduciary net position is displayed on pages 22 & 23. A separate stand-alone financial report is not available for the Plan.

**ALACHUA COUNTY LIBRARY DISTRICT  
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**Other Pension Plan Information**

Below is a summary of net pension liability, deferred outflows, deferred inflows and pension expense for all three pension plans:

	Florida Retirement			
	System	HIS Program	Library Pension	Total
Net pension liability	\$ 3,251,782	\$ 1,717,041	\$ 7,311,891	\$ 12,280,714
Deferred outflows of resources related to pensions	1,597,916	431,253	74,223	2,103,392
Deferred inflows of resources related to pensions	(261,238)	(184,457)	(1,086,870)	(1,532,565)
Pension expense	628,992	179,578	1,008,886	1,817,456

**C. Other Post-Employment Benefits Plan**

*Plan Description* – Library District employees are provided with OPEB through the Alachua County OPEB Plan, a cost-sharing multiple employer defined benefit OPEB Plan administered by the Alachua County Board of County Commissioners (“the County”). The County can amend the benefit provisions provided by the OPEB Plan. The County established the Alachua County OPEB Trust, a qualifying trust, with the adoption of resolution 08-104. A separate stand-alone financial statement for the OPEB Plan is not prepared.

*Benefits Provided* - The OPEB Plan provides post-employment life insurance benefits, as well as, both an explicit and implicit health insurance subsidy for retirees and eligible dependents of the Clerk of Court, Supervisor of Elections, Property Appraiser, Sheriff, Tax Collector, Library District, and County.

The life insurance benefit is provided at no charge to retirees. The life insurance benefit is \$15,000 for all retirees under the age of 65 and \$5,000 for retirees age 65 and older.

An explicit monthly health insurance subsidy is provided to retirees with at least 6 years of service who retire and begin receiving benefits from the Florida Retirement System (FRS) or the Library District Pension Plan (LDPP). Retirees must maintain health care coverage after employment to be eligible for the subsidy. The amount of the monthly subsidy is based on the number of years of total service with the Library District and is equal to three dollars a month for each year of service. The minimum monthly subsidy is \$18 and the maximum monthly subsidy is \$90 for employees that retire with 30 or more years of service.

Additionally, in accordance with Florida Statutes 112.0801, currently, active Library employees who retire and immediately begin receiving benefits from FRS or LDPP have the option of paying premiums to continue in the County’s Self-funded Health Insurance Plan at the same group rate as active employees. The retiree pays 100% of the blended group rate premium therefore receiving an implicit subsidy.

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*Contributions* - The contribution requirements of plan members and the participating employers are established and may be amended by the County. The Library's required contribution, actuarially determined, is based on a combination of projected pay-as-you-go financing, with an additional amount to prefund benefits when earned. Contributions are not based on a measure of pay. The Library's contractually required contribution for the year ended September 30, 2018, was \$141,711. Actual contributions to the OPEB Plan from the Library were \$130,443 for the year ended September 30, 2018. Library retiree plan members receiving benefits contributed to pay-as-you-go financing through their required contributions of \$591.00 per month for retiree-only coverage, \$1,412.76 per month for retiree and spouse coverage and \$1,991.68 per month for family coverage.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – At September 30, 2018, the Library reported a liability of \$1,325,313 for its proportionate share of the net OPEB liability. The net OPEB liability was determined by a simplified actuarial valuation as of September 30, 2018. The Library's proportion of the net OPEB liability was based on the Library's projected long-term contribution effort to the OPEB Plan as compared to the total projected long-term contribution effort of all employers. At September 30, 2018, the Library's proportion of net OPEB liability was 10.96%.

For the year ended September 30, 2018, the Library recognized OPEB expense of \$174,236. At September 30, 2018, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	88,017	-
Net difference between projected and actual investments	-	(6,331)
Total	<u>\$ 88,017</u>	<u>\$ (6,331)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

**ALACHUA COUNTY LIBRARY DISTRICT  
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Year ending September 30,	Amount
2019	\$ 6,000
2020	6,000
2021	6,000
2022	7,915
2023	8,061
Thereafter	47,710
Total	\$ 81,686

*Actuarial Methods and Assumptions* – The total OPEB liability in the September 30, 2018, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation Rate	2.5%
Projected annual salaries increase	3.5%
Investment rate of return	7.15%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate	6.5% initial year reduced 0.5% each year until reaching ultimate trend rate of 4.5%
Mortality	RP-2014 generational table scaled using MP-16 & applied on a gender-specific basis

An actuarial experience study has not yet been performed for the plan.

The long-term expected rate of return is based on plan investments where assets are projected to cover all future benefit payments. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**ALACHUA COUNTY LIBRARY DISTRICT  
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<b>Asset Class</b>	<b>Target Allocation</b>	<b>Rate of Return (with Inflation)</b>
Broad Market HQ Bond Fund	15.90%	2.85%
Core Plus Fixed Income	16.80%	3.13%
Diversified Large Cap	31.50%	11.60%
Core Real Estate	9.30%	4.60%
Diversified Small to Mid Cap	11.40%	15.36%
International Blend	14.50%	2.30%
Cash (T-bill)	0.60%	0.00%
Total	100.00%	

Discount Rate – The discount rate used to measure the total OPEB liability was 7.15%. The discount rate is based on the expected long-term rate of return on plan investments where assets are projected to cover all future benefit payments.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate -

The following presents the Library’s proportionate share of the net OPEB liability, as well as what the Library’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (6.15%) or 1 percent point higher (8.15%) than the current discount rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Net OPEB Liability	\$ 1,167,000	\$ 1,325,313	\$ 1,461,000

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate- The following presents the Library’s proportionate share of the net OPEB liability, as well as what the Library’s proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percent lower (5.50%) or 1 percent point higher (7.50%) than the current healthcare cost trend rates:

	1% Decrease (5.50%) decreasing to 3.50%)	Current Healthcare Cost Trend Rate (6.50%) decreasing to 4.50%)	1% Increase (7.50%) decreasing to 5.50%)
Net OPEB Liability	\$ 1,259,000	\$ 1,325,313	\$ 1,365,000

**ALACHUA COUNTY LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018**

**OPEB plan fiduciary net position** – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued Alachua County Board of County Commissioners annual financial report.

**D. Deferred Compensation Plan**

The Alachua County Library District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The Alachua County Library District has complied with the requirements of subsection (g) of Internal Revenue Code Section 457 and, accordingly, all assets and income of the plans are held in trust for the exclusive benefit of the participants and their beneficiaries.

**Note 6 - Long-Term Obligations**

**A. Changes in Long-term Obligations** for the year ended September 30, 2018, was as follows:

	Beginning Balance (Restated)	Increases	(Decreases)	Ending Balance	Due Within One Year
Compensated absences	688,187	412,605	(412,797)	687,995	412,797
Net pension liability - Plan	7,830,388	-	(518,497)	7,311,891	-
Net pension liability - FRS	3,134,888	116,894	-	3,251,782	-
Net pension liability - HIS	1,710,387	6,654	-	1,717,041	42,000
Net OPEB liability	1,240,956	84,357	-	1,325,313	-
<b>Total Long-term Obligations</b>	<b>\$ 14,604,806</b>	<b>\$ 620,510</b>	<b>\$ (931,294)</b>	<b>\$ 14,294,022</b>	<b>\$ 454,797</b>

Compensated absences and pension liabilities are generally liquidated by the general fund.

**Note 7 - Interfund Transfers**

For the year ended September 30, 2018, interfund transfers were as follows:

	<b>Transfers from Other Funds</b>	<b>Transfers to Other Funds</b>
<b>Governmental Funds:</b>		
General Fund	\$ -	\$ 1,327,669
Brady Trust Fund	-	50,000
Capital Projects	1,327,669	-
Other Governmental Funds	50,000	-
<b>Total</b>	<b>\$ 1,377,669</b>	<b>\$ 1,377,669</b>

**ALACHUA COUNTY LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018**

The District routinely transfers funds from the general fund to the capital projects fund to provide pay-as-you-go financing for capital items in the Facilities Long Range Plan. Also, pursuant to restrictions from the donor, interest earnings that accumulate in the Brady Trust Fund above the original principal amount are routinely transferred from Brady Trust to other governmental funds to support book purchases.

**Note 8 – Commitments and Contingencies**

Non-capitalized leases – Rental costs for the year ended September 30, 2018, under cancelable leases are summarized as follows:

<u>Fund Charged</u>	<u>Amount</u>
General Fund	\$ 138,887
Capital Projects	34,938
Total	<u>\$ 173,825</u>

**Note 9 – Related Party Transactions**

The Library District has an interlocal agreement with Alachua County Board of County Commissioners. The Library District paid Alachua County Board of County Commissioners \$390,172 for services in fiscal year 2018. These services included Accounting, Auditing, Treasury, Miscellaneous Administrative Services, Information and Telecommunications Services, and the County Attorney services. In addition, the Library District participates in the County’s Self Insurance fund for workers compensation and in the County’s self-insured Health Insurance Fund for employee group health insurance.

**Note 10 - Governmental Fund Balances**

On October 1, 2010, the Library District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as nonspendable or are classified in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

*Nonspendable* fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.

Fund balances are further classified based on a hierarchy of the Library District’s ability to control the spending of these fund balances.



**ALACHUA COUNTY LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018**

*Restricted* fund balances are fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by law through constitutional provisions or enabling legislation.

*Committed* fund balances are fund balances constrained for specific purposes imposed by the Library District Governing Board when formal action is taken by resolution. The same formal action is required to be taken to modify or rescind a fund balance commitment.

*Assigned* fund balances are fund balances intended to be used for specific purposes, but are neither restricted nor committed. Assignments may be made only by the Library District Governing Board, Library Director, or the Library Director's Designee per the District's Fund Balance Policy.

*Unassigned* fund balance is the residual positive balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed, or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances.

The fund balance categories of the governmental funds are shown on the face of the Balance Sheet – Governmental Funds in the fund financial statements. The Library District's policy uses restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents/contracts prohibiting this. In addition, the Library District's policy uses committed prior to assigned fund balances and assigned fund balances prior to unassigned fund balances.

Minimum fund balance policy – The Library District's policy states, that it will maintain an annual unappropriated or cash carry forward fund balance that is equal to at least 60 days of operating expenditures. The unappropriated cash carry forward will be at a level sufficient to maintain adequate cash flow during the beginning of each fiscal year in order to eliminate the need for short-term borrowing.

**Note 11 - Other Disclosures**

**A. Excess of Expenditures Over Appropriations**

The Library Foundation, discretely presented component unit, had an excess of expenditures over appropriations of \$15,552. The Foundation received additional private donations in excess of the budget that was spent on behalf of the Library District.

**B. Excess of Expenditures Over Revenue in the Actual Column**

Certain funds show an excess of expenditures over revenue in the actual column of the statement of revenue, expenditures and changes in fund balances. This excess is due to the use of fund balance brought forward from the prior fiscal year.

**ALACHUA COUNTY LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018**

**C. Restatement of Beginning Net Position**

The Library District restated beginning net position as a result of three prior period adjustments. The first prior period adjustment was for accumulated depreciation of capital assets put in to service prior to October 1, 2017. The second adjustment was needed to remove pension contributions from the calculation for compensated absences liability as these contributions are now included in the calculations for net pension liability. The third adjustment to beginning net position was needed as a result of a prior period adjustment reported in the Florida Retirement System Pension Plan GASB 68 Disclosure report, implementing GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

	Primary Government
Net Position - beginning of year, as previously reported	\$ 20,231,151
Restatement:	
Accumulated Depreciation	(56,844)
Compensated absences	113,154
Net pension liability	(1,075)
Net Position - beginning of year, as restated	\$ 20,286,386

**D. Future Accounting Pronouncements**

The Governmental Accounting Standards Board has issued statements that will become effective in 2019. The statements address:

- Certain asset retirement obligations;
- Fiduciary activities;
- Various practice issues (Omnibus);
- Certain debt extinguishment issues; and
- Leases.

The Library District is currently evaluating the effects that these statements will have on its 2019 financial statements.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**



**ALACHUA COUNTY LIBRARY DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>General Fund</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Property taxes	\$ 16,467,869	\$ 16,467,869	\$ 16,768,547	\$ 300,678
Intergovernmental	63,541	63,541	-	(63,541)
Charges for services	49,780	49,780	123,991	74,211
Rents and royalties	74,100	74,100	88,417	14,317
Investment income	62,225	62,225	97,940	35,715
Miscellaneous	127,974	127,974	166,170	38,196
<b>Total revenues</b>	<b>16,845,489</b>	<b>16,845,489</b>	<b>17,245,065</b>	<b>399,576</b>
<b>Expenditures</b>				
Culture and recreation				
Personal services	11,990,818	12,083,698	10,880,271	1,203,427
Operating expenditures	5,319,297	5,226,417	4,753,026	473,391
Reserve for contingencies	865,506	865,506	-	865,506
<b>Total expenditures</b>	<b>18,175,621</b>	<b>18,175,621</b>	<b>15,633,297</b>	<b>2,542,324</b>
<b>Excess of revenues over expenditures</b>	<b>(1,330,132)</b>	<b>(1,330,132)</b>	<b>1,611,768</b>	<b>2,941,900</b>
<b>Other financing sources (uses)</b>				
Transfers out	(1,327,669)	(1,327,669)	(1,327,669)	-
<b>Total other financing sources (uses)</b>	<b>(1,327,669)</b>	<b>(1,327,669)</b>	<b>(1,327,669)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(2,657,801)</b>	<b>(2,657,801)</b>	<b>284,099</b>	<b>2,941,900</b>
<b>Fund balances - beginning</b>	<b>2,657,801</b>	<b>2,657,801</b>	<b>5,650,501</b>	<b>2,992,700</b>
<b>Fund balances - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,934,600</b>	<b>\$ 5,934,600</b>

**ALACHUA COUNTY LIBRARY DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - BRADY TRUST FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>Brady Trust Fund</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Investment income	\$ 55,450	\$ 55,450	\$ 241,325	185,875
<b>Total revenues</b>	<u>55,450</u>	<u>55,450</u>	<u>241,325</u>	<u>185,875</u>
<b>Expenditures</b>				
Culture and recreation				
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	<u>55,450</u>	<u>55,450</u>	<u>241,325</u>	<u>185,875</u>
<b>Other financing sources (uses)</b>				
Transfers out	(50,000)	(50,000)	(50,000)	-
<b>Total other financing sources (uses)</b>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
<b>Net change in fund balances</b>	5,450	5,450	191,325	185,875
<b>Fund balances - beginning</b>	<u>(5,450)</u>	<u>(5,450)</u>	<u>2,325,165</u>	<u>2,330,615</u>
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,516,490</u>	<u>\$ 2,516,490</u>

**ALACHUA COUNTY LIBRARY DISTRICT  
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Revenues and expenditures in governmental funds are controlled by a formal integrated budgetary accounting system in accordance with Florida Statutes. An annual budget is adopted by the Alachua County Library District's Board of Governors for all governmental fund types.

The Alachua County Library District's annual budgets are monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations, except for amounts corresponding to outstanding encumbrances, lapse at year-end.

Original and amended budgets, as well as budget to actual comparisons are provided in the financial statements for all governmental funds. The amended budget amounts presented have been adjusted for legally authorized amendments of the annual budget during the year by the Alachua County Library District's Board of Governors. Budgets are prepared on the modified accrual (GAAP) basis of accounting.

**Alachua County Library District**  
**Required Supplementary Information**  
**Schedules of Proportionate Share of the Net Pension Liability**  
**Last 10 Fiscal Years\***

<b>Florida Retirement System (FRS)</b>	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.0108%	0.0106%	0.0100%	0.0098%
Employer's proportionate share of the net pension liability (asset)	\$ 3,251,782	\$ 3,133,813	\$ 2,529,540	\$ 1,265,068
Employer's covered payroll	\$ 5,273,947	\$ 5,100,692	\$ 4,565,408	\$ 4,457,332
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	61.66%	61.44%	55.41%	28.38%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%

<b>Health Insurance Subsidy Program (HIS)</b>	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.0162%	0.0160%	0.0151%	0.0143%
Employer's proportionate share of the net pension liability (asset)	\$ 1,717,041	\$ 1,710,387	\$ 1,754,266	\$ 1,461,538
Employer's covered payroll	\$ 5,273,947	\$ 5,100,692	\$ 4,565,408	\$ 4,457,332
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	32.56%	33.53%	38.43%	32.79%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%

**Notes to schedules:**

The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30th of the current fiscal year.

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



**Alachua County Library District  
Required Supplementary Information  
Schedules of Employer Contributions  
Last 10 Fiscal Years\***

<b>Florida Retirement System</b>	2018	2017	2016	2015
Contractually required contribution	\$ 314,868	\$ 263,883	\$ 261,285	\$ 239,611
Contributions in relation to the contractually required contribution	314,868	263,883	261,285	239,611
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 5,384,113	\$ 5,046,648	\$ 4,565,408	\$ 4,450,712
Contributions as a percentage of covered payroll	5.85%	5.23%	5.72%	5.38%

<b>Health Insurance Subsidy Program</b>	2018	2017	2016	2015
Contractually required contribution	\$ 89,806	\$ 83,759	\$ 77,950	\$ 60,120
Contributions in relation to the contractually required contribution	89,806	83,759	77,950	60,120
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 5,384,113	\$ 5,046,648	\$ 4,565,408	\$ 4,450,712
Contributions as a percentage of covered payroll	1.67%	1.66%	1.71%	1.35%

**Notes to schedules:**

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

**Alachua County Library District**  
**Required Supplementary Information**  
**Schedule of Changes in Library Plan's Net Pension Liability (NPL) and Related Ratios**  
**Last 10 Fiscal Years\***

	<b>2018</b>
<b>Total Pension Liability</b>	
Service Cost	\$ 205,955
Interest	2,404,139
Differences between expected and actual experience	113,477
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(1,892,447)
<b>Net change in total pension liability</b>	831,124
<b>Total pension liability-beginning</b>	35,069,113
<b>Total pension liability-ending(a)</b>	\$ 35,900,237
 <b>Plan fiduciary net position</b>	
Contributions-employer	\$ 864,162
Contributions-employee	78,277
Net investment income (loss)	2,362,029
Benefit payments, including refunds of employee contributions	(1,892,447)
Administrative expense	(62,400)
<b>Net change in plan fiduciary net position</b>	1,349,621
 <b>Plan fiduciary net position-beginning</b>	27,238,725
<b>Plan fiduciary net position-ending(b)</b>	\$ 28,588,346
 <b>Net pension liability-ending (a) - (b)</b>	\$ 7,311,891
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	79.63%
 <b>Covered payroll</b>	\$ 1,957,332
 <b>Net pension liability as a percentage of covered payroll</b>	373.56%

\*GASB Statement No. 67 was implemented in 2014. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 224,732	\$ 239,999	\$ 253,536	\$ 239,185
2,246,840	2,208,953	2,081,041	1,984,501
257,807	(399,790)	835,507	-
1,251,917	-	-	314,324
(1,544,201)	(1,442,828)	(1,219,425)	(1,128,528)
2,437,095	606,334	1,950,659	1,409,482
32,632,018	32,025,684	30,075,025	28,665,543
<u>\$ 35,069,113</u>	<u>\$ 32,632,018</u>	<u>\$ 32,025,684</u>	<u>\$ 30,075,025</u>
\$ 946,703	\$ 793,587	\$ 974,658	\$ 1,111,008
92,000	102,660	112,636	117,652
2,938,139	2,414,555	(183,132)	2,208,418
(1,544,201)	(1,442,828)	(1,219,425)	(1,128,528)
(64,775)	(67,825)	(71,700)	(65,550)
2,367,866	1,800,149	(386,963)	2,243,000
24,870,859	23,070,710	23,457,673	21,214,673
<u>\$ 27,238,725</u>	<u>\$ 24,870,859</u>	<u>\$ 23,070,710</u>	<u>\$ 23,457,673</u>
<u>\$ 7,830,388</u>	<u>\$ 7,761,159</u>	<u>\$ 8,954,974</u>	<u>\$ 6,617,352</u>
77.67%	76.22%	72.04%	78.00%
\$ 2,409,749	\$ 2,720,460	\$ 2,932,783	\$ 2,996,542
324.95%	285.29%	305.34%	220.83%

**Alachua County Library District  
Required Supplementary Information  
Schedule of Employer Contributions  
Last 10 Fiscal Years\***

<b>Library Pension Plan</b>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 864,162	\$ 946,703
Contributions in relation to the actuarially determined contribution	<u>864,162</u>	<u>946,703</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 1,957,332	\$ 2,409,749
Contributions as a percentage of covered payroll	<u>44.15%</u>	<u>39.29%</u>

**Notes to schedule:**

Valuation date: October 1, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed, with amortization bases created in accordance with funding policy
Asset valuation method	Fair market value adjusted for gains and losses phased in over 4 years
Salary increases	2.20%
Investment rate of return	7.00%
Retirement age	Normal retirement age, earlier of age 65 with 5 years of creditable service or 20 years of creditable service.
Mortality	RP-2000 Combined Healthy Generational Table, by gender, Scale BB

\*GASB Statement No. 67 was implemented in 2014. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 793,587	\$ 974,658	\$ 1,111,008
<u>793,587</u>	<u>974,658</u>	<u>1,111,008</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,720,460	\$ 2,932,783	\$ 2,996,542
<u>29.17%</u>	<u>33.23%</u>	<u>37.08%</u>

**Alachua County Library District  
 Required Supplementary Information  
 Schedule of Investment Returns  
 Last 10 Fiscal Years\***

<b>Library Pension Plan</b>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-weighted rate of return, net of investment expense	8.65%	11.69%	9.78%	-1.09%	10.14%

\*GASB Statement No. 67 was implemented in 2014. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

**Alachua County Library District  
 Required Supplementary Information  
 Schedule of the Library's Proportionate Share of the Net OPEB Liability  
 Alachua County OPEB Plan  
 Last 10 Fiscal Years\***

	<b>2018</b>	<b>2017</b>
Library's proportion of the net OPEB liability	10.96%	11.24%
Library's proportionate share of the net OPEB liability	\$ 1,325,312	\$ 1,240,956
Plan fiduciary net position as a percentage of the total OPEB liability	13.53%	13.75%

**Notes to schedules:**

Contributions to the OPEB plan are not based on a measure of pay, therefore, no measure of payroll is presented.

*Changes of benefit terms* - In the October 1, 2017, actuarial valuation, there were no changes of benefit terms.

*Changes of assumptions* - In the October 1, 2017, actuarial valuation, there were no changes of assumptions.

\*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

**Alachua County Library District  
 Required Supplementary Information  
 Schedule of Library Contributions  
 Alachua County OPEB Plan  
 Last 10 Fiscal Years\***

	<b>2018</b>	<b>2017</b>
Contractually required contribution	\$ 141,711	\$ 145,577
Contributions in relation to the contractually required contribution	130,443	155,000
Contribution deficiency (excess)	\$ 11,268	\$ (9,423)

**Notes to schedules:**

Contributions to the OPEB plan are not based on a measure of pay, therefore, no measure of payroll is presented.

*Changes of benefit terms* - In the October 1, 2017, actuarial valuation, there were no changes of benefit terms.

*Changes of assumptions* - In the October 1, 2017, actuarial valuation, there were no changes of assumptions.

\*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.



**SUPPLEMENTARY  
INFORMATION**



**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**NONMAJOR FUNDS**

**SPECIAL REVENUE FUNDS**

**Great American Read Grant (702)** – Federal funds received from the Florida Humanities Council, to reach out to diverse audiences to engage them in discussions, arts, reflection, and voting surrounding titles. The goal is to facilitate further conversations on our shared humanity and highlight how books have impacted every day Floridians.

**State Aid to Libraries Program Grant (710)** – Provided by the Florida Legislature; the goal is to assist local government in maintaining and developing free professional library service for all Floridians as part of the educational infrastructure. The amounts awarded are proportional to the amount of local funds spent providing library service in the County.

**Gifts and Donations (711)** – To account for the receipt and use of bequests, donations and gifts as well as an annual transfer from the Brady Trust Fund.

**MAJOR FUND – BUDGETARY COMPARISON ONLY**

Since this is a major fund, only the budgetary comparison is included in this section. Other information is included in the fund statements on pages 18 and 20.

**CAPITAL PROJECT FUND (731)** – accounts for financial resources used for the acquisition or construction of major capital facilities as well as capital equipment purchases.

**ALACHUA COUNTY LIBRARY DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2018**

	<b>SPECIAL REVENUE FUNDS</b>		
	<b>702 Great American Read Grant</b>	<b>710 State Aid to Libraries Program Grant</b>	<b>711 Gifts &amp; Donations</b>
<b>Assets</b>			
Equity in pooled cash and investments	\$ 2,700	\$ -	\$ 616,304
<b>Total assets</b>	<b>\$ 2,700</b>	<b>\$ -</b>	<b>\$ 616,304</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ 1,489
<b>Total liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,489</b>
<b>Fund balances</b>			
Restricted for:			
Library materials	2,700	-	-
Assigned for:			
Library materials	-	-	614,815
<b>Total fund balances</b>	<b>2,700</b>	<b>-</b>	<b>614,815</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,700</b>	<b>\$ -</b>	<b>\$ 616,304</b>

**Total  
Nonmajor  
Governmental  
Funds**

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\$ 619,004  

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\$ 619,004  

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\$ 1,489  

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\$ 1,489  

---

2,700

614,815

---

617,515  

---

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\$ 619,004  

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**ALACHUA COUNTY LIBRARY DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	SPECIAL REVENUE FUNDS		
	702 Great American Read Grant	710 State Aid to Libraries Program Grant	711 Gifts & Donations
<b>Revenues</b>			
Intergovernmental	\$ 2,700	\$ 434,276	\$ -
Private donations	-	-	12,713
<b>Total Revenues</b>	2,700	434,276	12,713
<b>Expenditures</b>			
Culture and recreation			
Operating expenditures	-	434,276	56,428
<b>Total expenditures</b>	-	434,276	56,428
<b>Excess (deficiency) of revenues over (under) expenditures</b>	2,700	-	(43,715)
<b>Other financing sources (uses)</b>			
Transfers in	-	-	50,000
<b>Total other financing sources (uses)</b>	-	-	50,000
<b>Net change in fund balances</b>	2,700	-	6,285
<b>Fund balances - beginning</b>	-	-	608,530
<b>Fund balances - ending</b>	\$ 2,700	\$ -	\$ 614,815

**Total  
Nonmajor  
Governmental  
Funds**

\$	436,976
	<u>12,713</u>
	<u>449,689</u>

	<u>490,704</u>
	<u>490,704</u>

	<u>(41,015)</u>
--	-----------------

	<u>50,000</u>
	<u>50,000</u>

	8,985
	<u>608,530</u>

\$	<u><u>617,515</u></u>
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**ALACHUA COUNTY LIBRARY DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>GREAT AMERICAN READ GRANT</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 2,700	\$ 2,700
Private donations	-	2,700	-	(2,700)
<b>Total Revenues</b>	-	2,700	2,700	-
<b>Expenditures</b>				
Culture and recreation				
Operating expenditures	-	2,700	-	2,700
<b>Total expenditures</b>	-	2,700	-	2,700
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	2,700	2,700
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
<b>Total other financing sources (uses)</b>	-	-	-	-
<b>Net change in fund balances</b>	-	-	2,700	2,700
<b>Fund balances - beginning</b>	-	-	-	-
<b>Fund balances - ending</b>	\$ -	\$ -	\$ 2,700	\$ 2,700



<b>SPECIAL REVENUE FUND</b>				
<b>STATE AID TO LIBRARIES PROGRAM GRANT</b>				
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Intergovernmental	\$ 457,456	\$ 457,456	\$ 434,276	\$ (23,180)
Private donations	-	-	-	-
<b>Total Revenues</b>	<u>457,456</u>	<u>457,456</u>	<u>434,276</u>	<u>(23,180)</u>
<b>Expenditures</b>				
Culture and recreation				
Operating expenditures	457,456	457,456	434,276	23,180
<b>Total expenditures</b>	<u>457,456</u>	<u>457,456</u>	<u>434,276</u>	<u>23,180</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balances - beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ALACHUA COUNTY LIBRARY DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>GIFTS AND DONATIONS</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Private donations	21,600	21,600	12,713	(8,887)
<b>Total Revenues</b>	<u>21,600</u>	<u>21,600</u>	<u>12,713</u>	<u>(8,887)</u>
<b>Expenditures</b>				
Culture and recreation				
Operating expenditures	58,000	58,000	56,428	1,572
<b>Total expenditures</b>	<u>58,000</u>	<u>58,000</u>	<u>56,428</u>	<u>1,572</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(36,400)</u>	<u>(36,400)</u>	<u>(43,715)</u>	<u>(7,315)</u>
<b>Other financing sources (uses)</b>				
Transfers in	50,000	50,000	50,000	-
<b>Total other financing sources (uses)</b>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<b>Net change in fund balances</b>	13,600	13,600	6,285	(7,315)
<b>Fund balances - beginning</b>	<u>(13,600)</u>	<u>(13,600)</u>	<u>608,530</u>	<u>622,130</u>
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 614,815</u>	<u>\$ 614,815</u>

**ALACHUA COUNTY LIBRARY DISTRICT  
CAPITAL PROJECTS FUND - SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>CAPITAL PROJECTS FUND</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ 2,937	\$ 2,937
Intergovernmental	-	-	500,000	500,000
Investment income	65,700	65,700	53,402	(12,298)
Private donations	-	-	77,580	77,580
Miscellaneous	-	-	2,514	2,514
<b>Total revenues</b>	<u>65,700</u>	<u>65,700</u>	<u>636,433</u>	<u>570,733</u>
<b>Expenditures</b>				
Culture and recreation				
Capital outlay	<u>6,079,158</u>	<u>6,079,158</u>	<u>3,249,751</u>	<u>2,829,407</u>
<b>Total expenditures</b>	<u>6,079,158</u>	<u>6,079,158</u>	<u>3,249,751</u>	<u>2,829,407</u>
<b>(Deficiency) of revenues (under) expenditures</b>	<u>(6,013,458)</u>	<u>(6,013,458)</u>	<u>(2,613,318)</u>	<u>3,400,140</u>
<b>Other financing sources (uses)</b>				
Transfers in	<u>1,327,669</u>	<u>1,327,669</u>	<u>1,327,669</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>1,327,669</u>	<u>1,327,669</u>	<u>1,327,669</u>	<u>-</u>
<b>Net change in fund balances</b>	(4,685,789)	(4,685,789)	(1,285,649)	3,400,140
<b>Fund balances - beginning</b>	<u>4,685,789</u>	<u>4,685,789</u>	<u>7,168,503</u>	<u>2,482,714</u>
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,882,854</u>	<u>\$ 5,882,854</u>



## **COMPONENT UNIT – DISCRETELY PRESENTED**

**LIBRARY DISTRICT FOUNDATION** - The Foundation is a support group for the Alachua County Library District. Incorporated in 1989 as a 501(c)(3) non-profit corporation, the Foundation's mission is to provide supplemental funding to the Library with an emphasis on long-term support and planned giving. The Foundation's major goal is to build an endowment that will provide funds for the Library District on an annual basis.

**ALACHUA COUNTY LIBRARY DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT-LIBRARY FOUNDATION  
BALANCE SHEET  
SEPTEMBER 30, 2018**

**Assets**

Other cash and investments \$ 1,319,217

**Total assets** \$ 1,319,217

**Liabilities and fund balances**

**Total liabilities** \$ -

**Fund balances**

Fund balances:

Assigned 1,319,217

Total fund balances 1,319,217

**Total liabilities and fund balance** \$ 1,319,217

**ALACHUA COUNTY LIBRARY DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT-LIBRARY FOUNDATION  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

<b>Revenues</b>	
Investment income (loss)	\$ 84,623
Private donations	51,259
Miscellaneous	-
<b>Total Revenues</b>	135,882
 <b>Expenditures</b>	
Culture and recreation	46,552
<b>Total expenditures</b>	46,552
 <b>Excess (deficiency) of revenues over (under) expenditures</b>	89,330
 <b>Fund balance - beginning</b>	1,229,887
 <b>Fund balance - ending</b>	\$ 1,319,217

**ALACHUA COUNTY LIBRARY DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT - LIBRARY FOUNDATION  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>Library Foundation</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Investment income (loss)	\$ -	\$ -	\$ 84,623	\$ 84,623
Private donations	31,000	31,000	51,259	20,259
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>31,000</u>	<u>31,000</u>	<u>135,882</u>	<u>104,882</u>
<b>Expenditures</b>				
Culture and recreation	31,000	31,000	46,552	(15,552)
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	89,330	89,330
<b>Fund balances - beginning</b>	<u>-</u>	<u>-</u>	<u>1,229,887</u>	<u>1,229,887</u>
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,319,217</u>	<u>\$ 1,319,217</u>



# **STATISTICAL SECTION**



## STATISTICAL SECTION

This part of the Alachua County Library District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government’s overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	86
Revenue Capacity These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	94
Debt Capacity These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	100
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	104
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	108

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year.

**Schedule 1**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**

**NET POSITION BY COMPONENT**

**LAST TEN FISCAL YEARS**

(accrual basis of accounting)

	<b>FISCAL YEAR</b>		
	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Governmental activities</b>			
Net investment in capital assets	\$ 6,938,971	\$ 7,976,363	\$ 8,548,511
Restricted	350,751	245,114	79,946
Unrestricted	13,975,221	14,767,914	15,743,853
Total governmental activities net position	<u>\$ 21,264,943</u>	<u>\$ 22,989,391</u>	<u>\$ 24,372,310</u>

**FISCAL YEAR**

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
\$ 9,416,416	\$ 10,816,441	\$ 12,160,176	\$ 13,366,277	\$ 14,701,933	\$ 17,538,601	\$ 19,310,305
284,066	434,937	369,808	367,207	334,033	-	-
16,604,421	16,164,908	15,164,494	5,428,591	5,892,522	2,692,550	1,309,950
<u>\$ 26,304,903</u>	<u>\$ 27,416,286</u>	<u>\$ 27,694,478</u>	<u>\$ 19,162,075</u>	<u>\$ 20,928,488</u>	<u>\$ 20,231,151</u>	<u>\$ 20,620,255</u>

**Schedule 2**  
**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	<b>FISCAL YEAR</b>		
	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Expenses</b>			
Governmental activities:			
Culture & recreation	\$ 16,019,496	\$ 16,190,042	\$ 16,599,177
Interest on long-term debt	397,068	356,902	127,808
Total governmental activities expenses	<u>16,416,564</u>	<u>16,546,944</u>	<u>16,726,985</u>
Total primary government expenses	<u>16,416,564</u>	<u>16,546,944</u>	<u>16,726,985</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services	89,125	99,478	112,897
Operating grants and contributions	476,947	505,800	333,684
Capital grants and contributions	11,530	-	-
Total governmental activities program revenues	<u>577,602</u>	<u>605,278</u>	<u>446,581</u>
Total primary government program revenues	<u>577,602</u>	<u>605,278</u>	<u>446,581</u>
<b>Net (Expense)Revenue</b>			
Governmental activities	<u>(15,838,962)</u>	<u>(15,941,666)</u>	<u>(16,280,404)</u>
Total primary governmental net expense	<u>\$ (15,838,962)</u>	<u>\$ (15,941,666)</u>	<u>\$ (16,280,404)</u>
<b>General Revenues and Other Changes in Net Position</b>			
Governmental activities:			
Property taxes	\$ 16,537,856	\$ 16,889,474	\$ 17,324,052
Interest earnings	151,654	415,432	196,368
Miscellaneous	500,615	317,738	142,903
Total governmental activities	<u>17,190,125</u>	<u>17,622,644</u>	<u>17,663,323</u>
Total primary government	<u>\$ 17,190,125</u>	<u>\$ 17,622,644</u>	<u>\$ 17,663,323</u>
<b>Change in Net Position</b>			
Governmental activities	<u>\$ 1,351,163</u>	<u>\$ 1,680,978</u>	<u>\$ 1,382,919</u>
Total primary government	<u>\$ 1,351,163</u>	<u>\$ 1,680,978</u>	<u>\$ 1,382,919</u>

**FISCAL YEAR**

2012	2013	2014	2015	2016	2017	2018
\$ 16,139,904	\$ 16,268,035	\$ 16,968,763	\$ 17,601,068	\$ 16,761,986	\$ 18,346,301	\$ 18,236,033
108,303	83,502	65,164	46,435	27,423	7,806	-
<u>16,248,207</u>	<u>16,351,537</u>	<u>17,033,927</u>	<u>17,647,503</u>	<u>16,789,409</u>	<u>18,354,107</u>	<u>18,236,033</u>
<u>16,248,207</u>	<u>16,351,537</u>	<u>17,033,927</u>	<u>17,647,503</u>	<u>16,789,409</u>	<u>18,354,107</u>	<u>18,236,033</u>
112,324	111,084	127,173	130,846	128,409	122,725	123,991
458,444	470,874	497,723	651,889	519,047	218,800	427,580
-	-	96,600	85,529	69,771	457,456	584,366
<u>570,768</u>	<u>581,958</u>	<u>721,496</u>	<u>868,264</u>	<u>717,227</u>	<u>798,981</u>	<u>1,135,937</u>
<u>570,768</u>	<u>581,958</u>	<u>721,496</u>	<u>868,264</u>	<u>717,227</u>	<u>798,981</u>	<u>1,135,937</u>
<u>(15,677,439)</u>	<u>(15,769,579)</u>	<u>(16,312,431)</u>	<u>(16,779,239)</u>	<u>(16,072,182)</u>	<u>(17,555,126)</u>	<u>(17,100,096)</u>
<u>\$ (15,677,439)</u>	<u>\$ (15,769,579)</u>	<u>\$ (16,312,431)</u>	<u>\$ (16,779,239)</u>	<u>\$ (16,072,182)</u>	<u>\$ (17,555,126)</u>	<u>\$ (17,100,096)</u>
\$ 16,718,736	\$ 16,130,742	\$ 15,888,801	\$ 16,744,182	\$ 17,121,407	\$ 17,306,961	\$ 16,771,484
527,505	288,155	330,025	106,684	325,807	411,465	392,667
363,791	492,998	371,797	325,547	391,381	406,253	269,814
<u>17,610,032</u>	<u>16,911,895</u>	<u>16,590,623</u>	<u>17,176,413</u>	<u>17,838,595</u>	<u>18,124,679</u>	<u>17,433,965</u>
<u>\$ 17,610,032</u>	<u>\$ 16,911,895</u>	<u>\$ 16,590,623</u>	<u>\$ 17,176,413</u>	<u>\$ 17,838,595</u>	<u>\$ 18,124,679</u>	<u>\$ 17,433,965</u>
\$ 1,932,593	\$ 1,142,316	\$ 278,192	\$ 397,174	\$ 1,766,413	\$ 569,553	\$ 333,869
<u>\$ 1,932,593</u>	<u>\$ 1,142,316</u>	<u>\$ 278,192</u>	<u>\$ 397,174</u>	<u>\$ 1,766,413</u>	<u>\$ 569,553</u>	<u>\$ 333,869</u>

**Schedule 3**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**

**FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

**Pre-GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions"**

	<u>Fiscal Year</u>
	<u>2009</u>
<b>General Fund</b>	
Reserved	\$ 16,083
Unreserved	5,318,512
Total general fund	<u>\$ 5,334,595</u>

**All Other Governmental Funds**

Reserved	\$ 657,258
Unreserved, reported in:	
Special revenue funds	1,478,950
Capital project funds	7,675,996
Total all other governmental funds	<u>\$ 9,812,204</u>

**Post-GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions"**

	<u>FISCAL YEAR</u>			
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>General Fund</b>				
Nonspendable	\$ 6,875	\$ 6,875	\$ 6,875	\$ 49,094
Assigned	1,271,774	1,271,774	3,881,317	4,374,717
Unassigned	4,839,131	5,291,720	3,032,115	2,181,865
Total general fund	<u>\$ 6,117,780</u>	<u>\$ 6,570,369</u>	<u>\$ 6,920,307</u>	<u>\$ 6,605,676</u>
<b>All Other Governmental Funds</b>				
Restricted	\$ 245,114	\$ 79,946	\$ 284,066	\$ 434,937
Committed	1,664,281	1,263,004	1,564,136	1,758,533
Assigned	8,252,226	8,730,388	8,919,594	8,634,094
Total all other governmental funds	<u>\$ 9,761,621</u>	<u>\$ 10,073,338</u>	<u>\$ 10,767,796</u>	<u>\$ 10,827,564</u>

Note: GASB Statement No. 54 was implemented in fiscal year 2011.

Fiscal year 2010 data was restated for presentation comparable to GASB Statement No. 54.



**FISCAL YEAR (continued)**

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
\$ 43,316	\$ 49,188	\$ 78,329	\$ 39,871	\$ -
1,980,919	1,836,324	1,786,697	2,657,802	4,735,170
2,146,192	2,342,799	3,035,643	2,952,828	1,199,430
<u>\$ 4,170,427</u>	<u>\$ 4,228,311</u>	<u>\$ 4,900,669</u>	<u>\$ 5,650,501</u>	<u>\$ 5,934,600</u>
\$ 369,808	\$ 364,207	\$ 334,033	\$ -	\$ 2,700
1,999,049	1,914,504	2,079,656	2,325,165	2,516,490
9,859,722	9,263,363	9,190,925	7,777,033	6,497,669
<u>\$ 12,228,579</u>	<u>\$ 11,542,074</u>	<u>\$ 11,604,614</u>	<u>\$ 10,102,198</u>	<u>\$ 9,016,859</u>

**Schedule 4**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	FISCAL YEAR			
	2009	2010	2011	2012
<b>Revenues</b>				
Taxes	\$ 16,537,856	\$ 16,889,474	\$ 17,324,052	\$ 16,718,736
Intergovernmental	488,477	505,800	333,684	458,444
Charges for services	89,125	99,478	112,897	112,324
Rents and royalties	22,015	33,022	44,647	60,082
Investment income	151,654	415,432	196,368	527,505
Private donations	138,664	109,307	48,552	104,934
Miscellaneous revenue	348,000	173,063	47,635	158,686
Total revenues	<u>17,775,791</u>	<u>18,225,576</u>	<u>18,107,835</u>	<u>18,140,711</u>
<b>Expenditures</b>				
Culture & recreation	14,723,410	14,740,638	14,994,036	14,762,291
Capital outlay	3,036,455	1,553,576	932,325	1,275,736
Debt service				
Principal	790,000	830,000	870,000	932,000
Interest	411,106	371,106	549,237	128,147
Total expenditures	<u>18,960,971</u>	<u>17,495,320</u>	<u>17,345,598</u>	<u>17,098,174</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,185,180)</u>	<u>730,256</u>	<u>762,237</u>	<u>1,042,537</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,000,000	1,298,015	1,348,849	1,296,774
Transfers out	(2,000,000)	(1,298,015)	(1,348,849)	(1,296,774)
Issuance of refunding note	-	-	5,960,000	-
Refund of long term debt	-	-	(5,960,000)	-
Sale of capital assets	422	2,346	2,069	1,859
Total other financing sources (uses)	<u>422</u>	<u>2,346</u>	<u>2,069</u>	<u>1,859</u>
Net change in fund balances	<u>\$ (1,184,758)</u>	<u>\$ 732,602</u>	<u>\$ 764,306</u>	<u>\$ 1,044,396</u>
Debt service as a percentage of noncapital expenditures (See Note)	7.3%	7.2%	8.4%	6.5%

NOTE: Only governmental fund expenditures that are classified as capital assets for reporting in the government-wide statements are subtracted from the total governmental fund expenditures to calculate this ratio. (GASB-S44:12b)

**FISCAL YEAR**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
\$	16,130,742	\$ 15,888,801	\$ 16,744,182	\$ 17,121,407	\$ 17,306,961	\$ 16,771,484
	470,874	497,723	651,889	519,047	457,456	936,976
	111,084	127,173	130,846	128,409	122,725	123,991
	77,094	85,648	81,323	77,716	80,441	88,417
	288,155	330,025	106,684	325,807	411,465	392,667
	107,555	116,241	99,623	83,844	74,550	90,293
	205,288	226,149	190,220	261,256	282,882	168,684
	<u>17,390,792</u>	<u>17,271,760</u>	<u>18,004,767</u>	<u>18,517,486</u>	<u>18,736,480</u>	<u>18,572,512</u>
	14,893,386	15,341,396	15,638,086	15,325,104	15,519,155	16,124,001
	1,701,242	1,904,385	1,935,258	1,400,789	2,920,941	3,249,751
	965,000	991,000	1,009,000	1,023,000	1,040,000	-
	89,517	71,341	52,724	33,800	14,289	-
	<u>17,649,145</u>	<u>18,308,122</u>	<u>18,635,068</u>	<u>17,782,693</u>	<u>19,494,385</u>	<u>19,373,752</u>
	(258,353)	(1,036,362)	(630,301)	734,793	(757,905)	(801,240)
	1,296,774	3,025,000	1,209,547	1,233,238	1,436,181	1,377,669
	(1,296,774)	(3,025,000)	(1,209,547)	(1,233,238)	(1,436,181)	(1,377,669)
	-	-	-	-	-	-
	-	-	-	-	-	-
	3,490	2,128	1,680	105	5,321	-
	<u>3,490</u>	<u>2,128</u>	<u>1,680</u>	<u>105</u>	<u>5,321</u>	<u>-</u>
\$	<u>(254,863)</u>	<u>(1,034,234)</u>	<u>(628,621)</u>	<u>734,898</u>	<u>(752,584)</u>	<u>(801,240)</u>
	6.4%	6.2%	6.0%	6.3%	6.2%	0.0%

**Schedule 5**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**

**LAST TEN FISCAL YEARS**

(in thousands of dollars)

<b>Tax Year</b>	<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Agricultural Property</b>	<b>Industrial Property</b>	<b>Non-Taxable Real Property</b>
2009	2010	\$ 12,297,297	\$ 2,432,165	\$ 1,485,314	\$ 461,587	\$ 4,553,950
2010	2011	11,324,537	2,328,960	1,439,909	415,202	5,243,853
2011	2012	10,518,320	2,289,880	1,384,286	399,881	5,750,413
2012	2013	9,980,655	2,253,166	1,383,350	398,882	5,725,143
2013	2014	10,033,826	2,199,281	1,379,222	399,131	5,766,116
2014	2015	10,046,694	2,211,408	1,374,563	388,349	5,875,100
2015	2016	10,689,455	2,234,065	1,388,943	386,242	5,953,613
2016	2017	11,265,526	2,361,108	1,383,288	384,899	5,940,849
2017	2018	** 12,624,963	2,732,816	1,425,454	475,140	6,162,892
2018	2019	** 13,616,889	3,008,995	1,468,517	511,526	6,348,838

Source: Alachua County Property Appraiser (form DR-403)

Note: Assessed values are determined as of January 1 for each fiscal year.

All property is assessed at 100% of estimated market value as required by the Florida State Constitution

The actual taxable value is limited to 3% or CPI change per year increase by the Save Our Homes legislation.

\* The total direct tax rate refers to Alachua County as a whole, not the Library District only.

\*\* FY18 Property valuations are per the 1st Certification; the Value Adjustment Board has not completed their process so values may change. FY17 values changed after the completion of the VAB process.

<u>Personal &amp; Centrally Assessed Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate *</u>	<u>Total Valuation</u>
\$ 3,125,214	\$ (11,796,697)	\$ 12,558,830	\$ 19.0846	\$ 24,355,527
3,019,338	(11,718,900)	12,052,899	19.2069	23,771,798
3,379,733	(12,111,876)	11,610,637	19.4166	23,722,513
3,146,358	(11,700,780)	11,186,774	18.8714	22,887,554
3,445,001	(11,982,568)	11,240,008	18.9098	23,222,576
3,846,992	(11,951,704)	11,791,403	18.9098	23,743,107
3,762,328	(12,311,375)	12,103,270	18.7503	24,414,646
4,029,029	(12,758,437)	12,606,261	18.2771	25,364,698
3,924,164	(13,764,380)	13,581,048	17.3553	27,345,429
3,946,406	(14,594,806)	14,306,365	16.7772	28,901,171

**Schedule 6**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

(rate per \$1,000 of assessed value)

Fiscal Year	Tax Year	County Direct Rates						Overlapping Rates		
		Basic Rate	General Obligation Debt Service	Alachua County Library District	Library Debt Service	School Board	Total Direct	Suwannee River Water Mgmt. District	St. Johns River Water Mgmt. District	MSTU - Unincorporated Areas
2010	2009	8.0495	0.2500	1.2856	0.0915	9.4080	19.0846	0.4399	0.4158	0.4124
2011	2010	8.3763	0.2500	1.3638	0.1098	9.1070	19.2069	0.4399	0.4158	0.4124
2012	2011	8.5956	0.2500	1.3638	0.1152	9.0920	19.4166	0.4143	0.3313	0.4124
2013	2012	8.5956	0.2500	1.3638	0.1130	8.5490	18.8714	0.4143	0.3313	0.4124
2014	2013	8.7990	0.2500	1.3638	0.0950	8.4020	18.9098	0.4143	0.3283	0.5038
2015	2014	8.7990	0.2500	1.3638	0.0950	8.4020	18.9098	0.4143	0.3283	0.5038
2016	2015	8.7950	0.1595	1.3638	0.0900	8.3420	18.7503	0.4104	0.3023	0.6228
2017	2016	8.9290	-	1.3371	0.0750	7.9360	18.2771	0.4093	0.2885	0.6325
2018	2017	8.4648	-	1.2655	-	7.6250	17.3553	0.4027	0.2724	-
2019	2018	8.2829	-	1.2303	-	7.2640	16.7772	0.3948	0.2562	-

Source: Alachua County Property Appraiser

Note: Overlapping rates are those of local and county governments that apply to property owners within Alachua County. Not all overlapping rates apply to all county property owners.

**Overlapping Rates (continued)**

<b>MSTU - Sheriff Law Enforcement</b>	<b>MSTU - Fire</b>	<b>City of Alachua</b>	<b>City of Archer</b>	<b>City of Gainesville</b>	<b>City of Hawthorne</b>	<b>City of High Springs</b>	<b>City of Lacrosse</b>	<b>City of Micanopy</b>	<b>City of Newberry</b>	<b>City of Waldo</b>
1.6252	1.1804	5.5000	5.0000	4.3963	5.3194	6.1500	2.1444	8.0000	3.8500	5.8686
1.6710	1.3391	5.5000	5.0000	4.2544	5.3194	6.1500	2.2908	8.0000	3.8500	5.8686
1.6710	1.3391	5.5000	5.2000	4.2544	5.3194	6.1500	2.5777	8.0000	3.8500	5.8686
1.6710	1.3391	5.5000	5.2500	4.4946	5.3194	6.1500	2.6989	8.0000	3.8084	5.8686
2.1531	1.3979	5.5000	5.2500	4.5780	5.3194	6.1500	2.6396	8.0000	3.8084	7.3226
2.1531	1.3979	5.5000	5.2500	4.5780	5.3194	6.1500	2.6396	8.0000	3.8084	7.3226
2.3283	1.5507	5.9900	5.2549	4.5079	5.3194	6.1326	5.7173	5.9283	3.9500	7.5180
2.4342	1.7705	5.9900	5.2549	4.5079	5.3194	6.1326	6.6246	5.9463	5.9089	7.5180
3.7240	-	5.3900	5.2549	4.7474	5.3194	5.9972	6.3534	5.8114	5.9999	7.5180
3.7240	-	5.3900	5.2549	4.7474	5.3194	5.8800	6.3686	5.7743	5.9999	7.5180

**Schedule 7**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND TEN YEARS AGO**

<u>Taxpayer</u>	2018*			2009		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Argos Cement LLC	\$ 137,986,270	1	0.96%			
Oaks Mall Gainesville Ltd Partnership	136,716,910	2	0.96%	135,346,570	1	1.08%
LM Gainesville LLC	102,388,200	3	0.72%			
HCA Health Services of Fla Inc	82,553,550	4	0.58%	69,841,500	4	0.56%
Duke Energy Florida Inc.	79,493,988	5	0.56%			
Robert E Stanley Trustee	70,150,780	6	0.49%			
North Florida Regional Medical Center Inc	67,457,900	7	0.47%			
AT&T Mobility LLC	63,466,530	8	0.44%			
Wal-Mart Stores East LP	58,399,800	9	0.41%	111,922,311	2	0.89%
Oak Hammock at the Univ of Fla Inc	53,682,400	10	0.38%	643,072,320	6	5.12%
Bellsouth Telecommunications Inc				81,855,501	3	0.65%
DolgenCorp Inc				69,275,500	5	0.55%
Florida Rock Industries Inc				62,526,930	7	0.50%
Florida Power Corp				57,761,515	8	0.46%
Cox Communications				47,985,730	9	0.38%
Baugh Southeast Cooperative Inc				43,782,620	10	0.35%
	<u>\$ 852,296,328</u>		<u>5.96%</u>	<u>\$ 1,323,370,497</u>		<u>10.54%</u>
Total taxable valuation of all properties	<u>\$ 14,306,364,940</u>			<u>\$ 12,558,830,292</u>		

SOURCE: Alachua County Property Appraiser - Overall Taxable Value

\* 2018 Taxable Assessed Values are per 1st Certification Tax Roll; Value Adjustment Board has not completed their process so values may change.



**Schedule 8**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date		
			Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy	
2009	2008	\$ 16,979,757	\$ 16,419,007	96.7%	\$ 35,357	\$ 16,454,364	96.9%	
2010	2009	17,286,027	16,734,007	96.8%	32,338	16,766,345	97.0%	
2011	2010	17,767,533	17,192,413	96.8%	20,414	17,212,827	96.9%	
2012	2011	17,193,782	16,604,818	96.6%	53,815	16,658,633	96.9%	
2013	2012	16,550,304	15,989,796	96.6%	46,175	16,035,971	96.9%	
2014	2013	16,399,438	15,809,701	96.4%	70,960	15,880,661	96.8%	
2015	2014	17,219,543	16,595,871	96.4%	48,214	16,644,085	96.7%	
2016	2015	17,614,724	16,980,309	96.4%	42,589	17,022,898	96.6%	
2017*	2016	17,840,651	17,214,907	96.5%	13,668	17,214,907	96.5%	
2018*	2017	17,250,477	16,649,237	96.5%	N/A	16,649,237	96.5%	

SOURCE: Alachua County Tax Collector

\*Taxes levied changed for FY2017 due to assessment changes made by the Value Adjustment Board. Levies were per the first tax certification and the VAB did not complete their process until after completion of the CAFR. FY18 levies are per the first tax certification and thus may change.

**Schedule 9**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Obligation Debt Outstanding</b>	<b>Percentage of Personal Income (a)</b>	<b>Per Capita (a)</b>
2009	\$ 7,840,000	0.09%	\$ 30.60
2010	7,010,000	0.08%	28.34
2011	5,960,000	0.07%	24.10
2012	5,028,000	0.05%	20.16
2013	4,063,000	0.04%	16.16
2014	3,072,000	0.03%	12.12
2015	2,063,000	0.02%	8.09
2016	1,040,000	0.01%	4.05
2017	-	-	-
2018	-	-	-

Note: Details regarding the Library District's outstanding debt can be found on page 55 in the Notes to the Financial Statements.

(a) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**Schedule 10**  
**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Debt Outstanding (a)</u>	<u>Percentage of Actual Taxable Value of Property (b)</u>	<u>Per Capita (c)</u>
2009	\$ 7,489,249	0.06%	\$ 29.23
2010	6,764,886	0.06%	27.35
2011	5,880,054	0.05%	23.77
2012	4,743,934	0.04%	19.02
2013	3,628,063	0.03%	14.43
2014	2,702,192	0.02%	10.66
2015	1,698,796	0.01%	6.66
2016	705,967	0.01%	2.75
2017	-	-	-
2018	-	-	-

Note: Details regarding the Library District's outstanding debt can be found starting on page 55 in the Notes to the Financial Statements.

(a) Debt Outstanding is net the amount restricted for debt service.

(b) See Schedule 5 for property value data.

(c) Population data can be found in Schedule 13

**Schedule 11**

**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

**AS OF SEPTEMBER 30, 2018**

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share of Overlapping Debt</b>
<b>Overlapping:</b>			
<b>Alachua County:</b>			
Local Options Gas Tax Bank Note, 2011	\$ 1,337,000	100%	\$ 1,337,000
Public Improvement Revenue Note, 2014	7,142,000	100%	7,142,000
Capital Improvement Revenue Note, 2015A	3,106,000	100%	3,106,000
Public Improvement Revenue Refunding Note, 2015B	12,374,000	100%	12,374,000
Capital Lease Payable ACSO Radio, 2014	144,435	100%	144,435
Public Improvement Revenue Refunding Note, 2016	19,330,000	100%	19,330,000
Gas Tax Refunding Bank Note, 2016	6,308,000	100%	6,308,000
Public Improvement Revenue Note, 2017	1,925,000	100%	1,925,000
Capital Improvement Revenue Refunding Note, 2017	3,194,000	100%	3,194,000
Local Options Gas Tax Bank Note, 2018	2,640,000	100%	2,640,000
<b>Alachua County School Board:</b>			
State Board of Education Bonds	62,000	100%	62,000
Certificates of Participation	49,745,597	100%	49,745,597
Quality Zone Academy Bonds	1,794,000	100%	1,794,000
<b>Total Overlapping Debt Outstanding</b>	<u>109,102,032</u>		<u>109,102,032</u>
<b>Total Governmental Activities Debt</b>	<u>\$ 109,102,032</u>		<u>\$ 109,102,032</u>

Sources: Alachua County Finance Department and Alachua County School Board

Note: The District no longer has direct governmental activities debt. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and business of Alachua. This process recognizes that, when considering the county's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**Schedule 12**  
**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**  
**LEGAL DEBT MARGIN**  
**LAST TEN FISCAL YEARS**

The Constitution of the State of Florida, Florida Statute 200.181 and Alachua County Library District set no legal debt limit.

### Schedule 13

#### ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA

#### DEMOGRAPHIC AND ECONOMIC STATISTICS

#### LAST TEN CALENDAR YEARS

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>
2009	256,232	\$ 8,664,631	\$ 35,573
2010	247,336	8,624,675	34,859
2011	247,337	8,931,208	35,816
2012	249,365	9,652,584	38,393
2013	251,417	9,688,255	38,225
2014	253,451	9,973,968	38,903
2015	254,893	10,450,311	40,199
2016	257,062	10,805,342	41,008
2017	260,003	11,286,402	42,280
2018	263,291	N/A	N/A

Sources: Bureau of Economic and Business Research  
United States Department of Commerce  
Gainesville Chamber of Commerce  
University of Florida and Santa Fe College  
Alachua County School Board  
Bureau of Labor Statistics  
Florida Department of Economic & Demographic Research

Note: Personal and Per Capita Personal Income not available for 2018.

<b>Median Age</b>	<b>College and University Enrollment</b>	<b>Public School Enrollment</b>	<b>Unemployment Rate</b>
29.7	67,070	27,562	7.9%
29.4	68,538	25,077	8.3%
30.1	69,491	26,856	7.4%
30.1	66,333	26,877	6.2%
29.4	65,743	26,800	4.9%
31	64,971	29,082	4.6%
31.2	67,264	24,218	4.5%
31.1	65,066	26,705	4.4%
31.1	64,916	28,836	3.1%
31.2	71,832	30,753	2.7%

**Schedule 14**  
**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**  
**PRINCIPAL EMPLOYERS**  
**2018 AND PRIOR YEAR 2009**

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Private Workforce</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Private Workforce</u>
University of Florida	15,000	1	10.72%	14,723	1	10.72%
UF Health	10,324	2	7.38%	12,588	2	9.17%
Alachua County School Board	4,375	3	3.13%	4,299	4	3.13%
Veterans Affairs Medical Center	3,500	4	2.50%	4,317	3	3.14%
City of Gainesville	2,270	5	1.62%	2,200	5	1.60%
Alachua County	2,019	6	1.44%	2,029	7	1.48%
North Florida Regional Medical Ctr	2,000	7	1.43%	1,700	8	1.24%
Nationwide Insurance Company	900	8	0.64%	1,300	9	0.95%
Tacachale Center	889	9	0.64%			
Publix Supermarkets	831	10	0.59%	2,056	6	1.50%
Santa Fe College				796	10	0.58%
Total Private Labor Workforce	<u>139,927</u>			<u>137,300</u>		

Source: Gainesville Chamber of Commerce, Council for Economic Outreach



**Schedule 15**  
**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**  
**FULL-TIME EQUIVALENT LIBRARY GOVERNMENT EMPLOYEES**  
**BY FUNCTION/PROGRAM - DIVISION**  
**LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<b>FISCAL YEAR</b>									
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Administration Services Division</b>										
Administration	11.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	13	13
Facilities Services Division	10	10	9	9	9	9	9	9	9	9
Automated	10	10	10	10.5	10.5	10.5	10.5	10.5	10.5	10.5
<b>Public Services Division</b>										
Administration	6	6	6	7	7	7	7	7	6	6
Adult	16.25	16.25	14.75	13.5	12.5	12.5	12.5	12	12.5	13
Alachua	7	7	7	7	7	7	7	7	7	7
Archer	3.5	3.5	3.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Circulation	23.5	23.5	23.5	22.5	25.25	23.75	23.75	24.25	24.25	22.75
Cone Park*	N/A	N/A	3.13	3.25	3.25	6.75	6.75	6.75	6.75	6.75
Hawthorne	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
High Springs	6.5	6.5	6.5	5.5	5.5	5.5	5.5	6	6	6
Law Library*	N/A	N/A	N/A	0.5	0.5	0.5	0.5	0.5	0	0
Micanopy	3.26	3.26	3.26	3.38	3.38	3.38	3.38	3.38	3.38	3.38
Millhopper	19.5	19.5	21.5	21.5	21.5	22.5	22.5	22.5	22.5	22.5
Newberry	6	6	6	6	6	6	6	6.5	6.5	6.5
Outreach Services	11	11	11	11	11	11	11	11	11	11
Partnership Branch*	3.5	3.5	4.125	5.125	5.125	5.125	5.125	5.125	6.125	6.125
Technical Services	19	19	18	17	17	16	16	15	15	14
Tower Road	16.5	16.5	18.625	18.625	18.625	18.625	18.625	18.625	18.625	20.125
Youth	13	13	10.75	10.75	9	9	9	9	9	9
Waldo	3.13	3.13	3.13	3.13	3.13	3.13	3.13	3.13	3.13	4.13
<b>Total</b>	<b>195.64</b>	<b>196.64</b>	<b>198.77</b>	<b>198.76</b>	<b>198.76</b>	<b>200.76</b>	<b>200.76</b>	<b>200.76</b>	<b>201.26</b>	<b>201.76</b>

\*Law Library was added in FY2012. Cone Park Branch opened in 2011 and the Library Neighborhood Resource Partnership Branch opened in 2009. Support Services Division no longer exists. Automated Services moved to Administrative Services Division and Technical Services moved to Public Services Division in FY2012.

Source: Library Administration

**Schedule 16**  
**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Description</u>	<u>FISCAL YEAR</u>		
		<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Culture and recreation:</b>				
Circulation:	# of checkouts - Main Library	1,126,714	1,029,819	943,612
	# of checkouts - Branch libraries	1,736,914	1,959,511	2,121,575
	# of checkouts - Bookmobiles	54,697	50,939	50,302
	# of checkouts - other services	178,190	334,535	536,947
	Total checkouts	3,096,515	3,374,804	3,652,436
	# of Library Visits	1,404,869	1,476,120	1,431,342
	# of Virtual Visits	878,294	1,288,744	1,523,298
	Total # of Registered Borrowers	199,549	204,418	216,966
	# of Volunteer Hours	21,329	22,314	26,641
	# of Reference Services	571,235	646,802	603,653
Programs:	Number presented	2,456	3,427	3,725
	Attendance	54,075	81,519	81,809

Source: Alachua County Library

**FISCAL YEAR (continued)**

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
820,640	684,206	623,535	565,643	479,730	445,007	385,740
2,094,758	2,025,632	1,993,214	1,896,732	1,710,044	1,531,747	1,472,638
53,170	57,634	55,160	48,990	36,570	28,837	24,574
671,839	808,572	890,823	1,257,499	2,062,981	2,029,130	2,016,585
3,640,407	3,576,044	3,562,732	3,768,864	4,289,325	4,034,721	3,899,537
1,534,385	1,567,315	1,560,918	1,521,420	1,461,337	1,333,876	1,274,411
1,382,087	1,294,365	1,303,543	1,129,208	1,018,627	888,900	996,112
198,035	185,730	164,687	164,817	156,628	150,746	149,671
26,078	21,613	22,908	23,209	20,261	21,765	18,757
677,157	458,279	282,482	311,880	246,670	296,480	328,090
4,139	5,292	6,617	7,930	7,863	8,300	9,155
91,665	108,342	143,986	162,986	138,901	129,187	129,731

**Schedule 17**  
**ALACHUA COUNTY LIBRARY DISTRICT, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM,**  
**LAST TEN FISCAL YEARS**

	<b>FISCAL YEAR</b>			
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b><u>Culture &amp; Recreation</u></b>				
# of Library buildings	11 *	11	11	11
# of Acres	27	27	27	27
# of Vehicles	22	21	21	22
Library Holdings				
# of Books	921,637	951,557	804,212	802,044
# of Copies - Periodicals	1,551	1,344	1,330	1,531
# of Titles - Periodicals	498	485	452	427

\* Includes new Library Partnership building.

\*\* Includes new Cone Park building.

Source: Finance and Accounting Department  
Library Holdings - Library District Administration

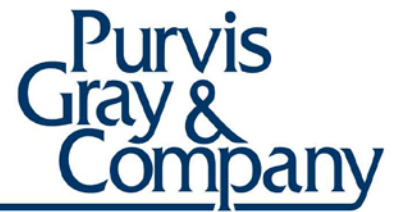
<b>FISCAL YEAR</b>						
<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
11	12 **	12	12	12	12	12
27	28	28	28	29	29	29
21	20	20	20	18	17	17
772,501	756,816	751,346	744,769	700,228	733,973	
1,528	1,416	1,390	1,228	1,169	1,130	
417	413	401	332	330	304	



# **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**

The Governing Board  
Alachua County Library District  
Alachua County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the Alachua County Library District (the District) as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 28, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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. However, material weaknesses may exist that have not been identified.

**Certified Public Accountants**

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The Governing Board  
Alachua County Library District  
Alachua County, Florida

**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  
(Concluded)**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District'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.

*Purvis, Gray and Company, LLP*

March 28, 2019  
Gainesville, Florida

## MANAGEMENT LETTER

The Governing Board  
Alachua County Library District  
Alachua County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Alachua County Library District (the District), as of and for the year ended September 30, 2018, and have issued our report thereon dated March 28, 2019.

### Auditors' Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 28, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address the findings and recommendations made in the preceding financial audit report. There were no recommendations made in the preceding financial audit report.

### Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements.

### Certified Public Accountants

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The Governing Board  
Alachua County Library District  
Alachua County, Florida

**MANAGEMENT LETTER**  
*(Concluded)*

**Financial Condition and Management**

Sections 10.554(1)(i)5.a and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determine that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by the same.

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

**Special District Component Units**

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

**Additional Matters**

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

**Purpose of this Letter**

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Governing Board, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

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



March 28, 2019  
Gainesville, Florida

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

The Governing Board  
Alachua County Library District  
Alachua County, Florida

We have examined the office of the Alachua County Library District's (the District) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2018. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

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

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

In our opinion, the District complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2018.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House or Representatives, the Florida Auditor General, Federal and other granting agencies, the Governing Board, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Purvis, Gray and Company, LLP*

March 28, 2019  
Gainesville, Florida

**Certified Public Accountants**

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alachua county  
library district

*...thinking outside the book*

Alachua County Library District  
Administration  
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Gainesville, FL 32601-5453  
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[www.aclib.us](http://www.aclib.us)

April 25, 2019

Honorable Sherrill F. Norman, CPA  
Auditor General, State of Florida  
Local Government Audits/342  
Claude Pepper Building, Room 401  
111 West Madison Street  
Tallahassee, FL 32399-1450

Dear Ms. Norman:

This is in response to the Independent Auditors' Management Letter for Alachua County Library District, for the fiscal year ended September 30, 2018. We are happy to report that for the twenty-sixth year, the Auditors found no reportable conditions.

Thank you for your attention.

Sincerely,

Dr. Leanetta McNealy, Chair  
Library District Governing Board

J. K. "Jess" Irby, Esq.  
Alachua County Clerk to the Board

rdg