

**COLUMBIA COUNTY,  
FLORIDA**

**ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended September 30, 2008**

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Florida (the County), as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Florida, as of September 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

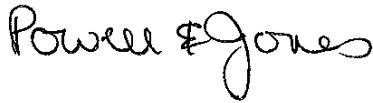
In accordance with *Government Auditing Standards*, we have also issued a report dated July 17, 2009, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 10 through 17 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation

of the supplementary information. However, we did not audit the information and express no opinion on it.

The budgetary comparison information presented for the general fund and the other major governmental funds is not a required part of the basic financial statements of the County, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

**POWELL & JONES**  
Certified Public Accountants  
July 17, 2009

**Net Assets**

	Governmental Activities	Business-type Activities	Total Government	
			2008	2007
<b>Assets</b>				
Current assets	\$ 46,501,595	\$ 8,923,482	\$ 55,425,077	\$ 46,189,107
Restricted assets	-	4,231,283	4,231,283	4,121,141
Noncurrent assets	127,268,394	6,142,227	133,410,621	131,746,862
<b>Total assets</b>	<b>173,769,989</b>	<b>19,296,992</b>	<b>193,066,981</b>	<b>182,057,110</b>
<b>Liabilities</b>				
Current liabilities (payable from current assets)	5,812,314	107,587	5,919,901	1,855,900
Current liabilities (payable from restricted assets)	-	460,000	460,000	435,000
Noncurrent liabilities	7,684,131	10,555,536	18,239,667	19,252,538
<b>Total liabilities</b>	<b>13,496,445</b>	<b>11,123,123</b>	<b>24,619,568</b>	<b>21,543,438</b>
<b>Net assets</b>				
Net assets invested in capital assets, net of related debt	121,599,691	4,070,366	125,670,057	120,196,159
Net assets - restricted	16,578,826	-	16,578,826	15,719,142
Net assets - unrestricted	22,095,027	4,103,503	26,198,530	24,598,371
	<b>\$ 160,273,544</b>	<b>\$ 8,173,869</b>	<b>\$ 168,447,413</b>	<b>\$ 160,513,672</b>

75% of the County's net assets reflect its investment in capital assets (land, buildings, infrastructure, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional 10% of the County's net assets represent resources that are dedicated or subject to restrictions on how they may be used. The remaining balance of unrestricted net assets (16%) may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net assets. The increase in Governmental Activities net assets is due primarily to various road improvement and other capital grants received for capital road projects which have been capitalized. The decrease in Business-type Activities net assets is due to normal operations.

### Changes in Net Assets

	Governmental	Business-type	Total Government	
	Activities	Activities	2008	2007
<b>Revenues:</b>				
Program revenues				
Charges for services	\$ 15,887,058	\$ 2,479,949	\$ 18,367,007	\$ 16,975,349
Operating grants/ contributions	2,625,679	277,316	2,902,995	2,037,818
Capital grants/contributions	4,890,442	-	4,890,442	5,782,664
General revenues				
Property taxes	20,004,812	-	20,004,812	20,173,293
Sales and use taxes	9,981,338	-	9,981,338	11,048,031
Federal and State shared revenues	8,658,231	-	8,658,231	8,970,174
Interest	1,235,208	319,947	1,555,155	2,413,716
Other	2,271,903	(168,439)	2,103,464	1,246,784
<b>Total revenues</b>	<b>65,554,671</b>	<b>2,908,773</b>	<b>68,463,444</b>	<b>68,647,829</b>
<b>Expenses:</b>				
General government	12,037,730	-	12,037,730	11,959,554
Public safety	21,777,140	-	21,777,140	20,906,251
Physical environment	4,856,564	2,967,647	7,824,211	7,391,133
Transportation	12,586,882	-	12,586,882	12,402,594
Economic environment	2,052,129	-	2,052,129	2,188,589
Human services	1,886,842	-	1,886,842	2,604,827
Culture/recreation	2,149,763	-	2,149,763	2,222,763
Interest on long-term debt	215,003	-	215,003	270,582
<b>Total expenses</b>	<b>57,562,053</b>	<b>2,967,647</b>	<b>60,529,700</b>	<b>59,946,293</b>
<b>Increase in net assets</b>	<b>\$ 7,992,618</b>	<b>\$ (58,874)</b>	<b>\$ 7,933,744</b>	<b>\$ 8,701,536</b>

Property taxes provide 31% of the revenues for Governmental Activities, while sales taxes provide 15%. Most of the Governmental Activities resources are spent for Public Safety (38%), General Government (21%), Transportation (22%), and Physical Environment (8%).

#### FUND FINANCIAL INFORMATION

##### Governmental Funds

##### General Fund

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County Ordinances or other externally imposed requirements. As of September 30, 2008, total assets were \$20,035,850 and total liabilities were \$2,696,131. The ending fund balance was \$17,339,719, \$5,295,424 of which is designated for specified projects.

During the year ended September 30, 2008, total revenues, \$30,134,843, exceeded total expenditures, \$11,145,538, by \$18,989,305. \$14,567,798 was also transferred to other funds for operational and capital related purposes. The net increase in the fund balance in the General Fund was therefore, \$4,421,507.

**Proprietary Funds**

The *Landfill Enterprise Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste disposal facility. This fund is substantially financed by tipping fees charged to users of the services. Total assets as of September 30, 2008, were \$19,296,992, total liabilities were \$11,123,123, and net assets were \$8,173,869. Total income was \$2,908,773, and total expenses were \$2,967,647, leaving a net loss of \$(58,874).

**CAPITAL ASSETS ACTIVITY**

The County's capital assets for its governmental and business-type activities as of September 30, 2008, is \$133,333,760 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. Prior to 2003, general fixed assets were recorded at cost or fair market value at the time of acquisition. Depreciation was not recognized for governmental activities.

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

The following schedule provides a summary of the County's capital assets balances for the year ended September 30, 2008, compared to the prior year:

**Capital Assets**

	Governmental Activities	Business-type Activities	Total Government	
			2008	2007
Land and Improvements	\$ 5,711,913	\$ 10,424,204	\$ 16,136,117	\$ 15,663,481
Construction in progress	607,003	-	607,003	977,024
Infrastructure	132,356,488	-	132,356,488	124,508,644
Buildings and Improvements	47,216,336	493,668	47,710,004	46,804,392
Equipment	22,947,332	2,902,836	25,850,168	22,034,949
	<u>208,839,072</u>	<u>13,820,708</u>	<u>222,659,780</u>	<u>209,988,490</u>
Less accumulated depreciation	(81,570,678)	(7,755,342)	(89,326,020)	(78,344,842)
Total	<u>\$ 127,268,394</u>	<u>\$ 6,065,366</u>	<u>\$ 133,333,760</u>	<u>\$ 131,643,648</u>

**DEBT MANAGEMENT**

**Governmental Activities Debt**

During the year, total long-term debt decreased by \$1,117,701 leaving the following balances:

Bank loans	\$ 1,294,632
Revenue bonds	1,512,528
Government loan	798,885
Capital leases	2,062,658
Compensated absences	2,190,683
	<u>\$ 7,859,386</u>

**COLUMBIA COUNTY, FLORIDA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
September 30, 2008

	Special Revenue Funds					Debt Service Fund	Capital Projects funds		Other Governmental Funds	Total Governmental Funds	
	General Fund	County Transportation Trust	Municipal Services Benefit Unit	Municipal Services Special District	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project			Road Improvement
<b>ASSETS</b>											
<b>Current assets</b>											
Cash	\$ 241,097	\$ 2,708,291	\$ 1,742,710	\$ 150	\$ 15,877	\$ 709,067	\$ 595,020	\$ 6,801,520	\$ 2,792,674	\$ 7,115,006	\$ 22,721,412
Accounts receivable	20,848	6,276	33,789	786,374	1,877	8,243	-	-	-	6,182	863,589
Due from other funds	3,804,608	-	9,731	1,000,000	206,230	18,128	-	-	429,695	45,464	5,513,856
Due from other governmental units	783,820	384,313	104,059	-	8,386	62,632	-	-	280,869	31,455	1,655,534
Inventories	-	16,964	-	-	-	-	-	-	-	-	16,964
Investments	15,185,477	1,676,838	20,891	2,740,309	-	-	-	-	-	1,412,716	21,036,231
Other current assets	-	-	-	-	-	-	86,369	-	-	-	86,369
<b>Total assets</b>	<b>\$ 20,035,850</b>	<b>\$ 4,792,682</b>	<b>\$ 1,911,180</b>	<b>\$ 4,526,833</b>	<b>\$ 232,370</b>	<b>\$ 798,070</b>	<b>\$ 681,389</b>	<b>\$ 6,801,520</b>	<b>\$ 3,503,238</b>	<b>\$ 8,610,823</b>	<b>\$ 51,893,955</b>
<b>LIABILITIES AND FUND BALANCES</b>											
<b>LIABILITIES</b>											
Accounts payable	\$ 2,435,669	\$ 59,713	\$ 37,354	\$ 1,185,186	\$ 6,288	\$ 275,605	\$ 66,570	\$ -	\$ -	\$ 703,802	\$ 4,770,187
Due to other funds	18,129	-	1,148,534	-	-	504,337	2,750,000	429,695	384	541,281	5,392,360
Due to other governmental units	-	-	-	-	226,082	-	-	-	-	64,364	290,446
Accrued payroll liabilities	240,498	-	356	-	-	-	-	-	-	796	241,650
Deposits	-	104,744	-	-	-	-	10,000	-	-	-	114,744
Revenues collected in advance	-	-	-	136,305	-	18,128	-	-	-	16,450	170,883
Other current liabilities	1,835	-	-	-	-	-	-	-	-	-	1,835
<b>Total liabilities</b>	<b>2,696,131</b>	<b>164,457</b>	<b>1,186,244</b>	<b>1,321,491</b>	<b>232,370</b>	<b>798,070</b>	<b>2,826,570</b>	<b>429,695</b>	<b>384</b>	<b>1,326,693</b>	<b>10,982,105</b>
<b>Fund balances</b>											
Designated	5,295,424	-	384,766	136,305	-	-	-	6,371,825	3,502,854	887,656	16,578,830
Unreserved	12,044,295	4,628,225	340,170	3,069,037	-	-	(2,145,181)	-	-	6,396,474	24,333,020
<b>Total fund balances</b>	<b>17,339,719</b>	<b>4,628,225</b>	<b>724,936</b>	<b>3,205,342</b>	<b>-</b>	<b>-</b>	<b>(2,145,181)</b>	<b>6,371,825</b>	<b>3,502,854</b>	<b>7,284,130</b>	<b>40,911,850</b>
<b>Total liabilities and fund balances</b>	<b>\$ 20,035,850</b>	<b>\$ 4,792,682</b>	<b>\$ 1,911,180</b>	<b>\$ 4,526,833</b>	<b>\$ 232,370</b>	<b>\$ 798,070</b>	<b>\$ 681,389</b>	<b>\$ 6,801,520</b>	<b>\$ 3,503,238</b>	<b>\$ 8,610,823</b>	

Amounts reported for governmental activities in the statement of net assets are different because:  
Capital assets used in governmental activities are not financial resources and, are therefore not reported in funds. 127,268,394  
Long-term debt transactions including bonds payable (\$1,512,528), notes and loans payable (\$2,093,516), capital leases payable (\$2,062,658), accrued interest (\$47,313), and compensated absences (\$2,190,683), are not due and payable in the current period and therefore are not reported in the funds. (7,906,699)  
Net assets of governmental activities \$ 160,273,545

**COLUMBIA COUNTY, FLORIDA  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended September 30, 2008**

	Special Revenue Funds					Debt Service Fund	Capital Projects funds		Other Governmental Funds	Total Governmental Funds	
	General Fund	County Transportation Trust	Municipal Services Benefit Unit	Municipal Services Special District	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project			Road Improvement
<b>REVENUES</b>											
Taxes	\$ 25,369,945	\$ 2,540,889	\$ 256,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,818,713	\$ 29,986,146
Licenses and permits	-	-	533,630	-	-	-	-	-	-	-	533,630
Intergovernmental	2,279,621	3,569,695	779,253	1,562,628	59,424	270,574	1,696,765	871,613	3,673,198	1,392,319	16,155,090
Charges for services	1,660,132	13,976	-	1,991,846	2,235,442	111,918	-	-	-	2,535,459	8,548,773
Fines and forfeitures	33,225	-	-	-	-	-	-	-	-	394,049	427,274
Miscellaneous	791,920	121,930	6,210,728	87,359	25,160	22,549	179,879	142,038	69,128	628,550	8,279,241
<b>Total revenues</b>	<b>30,134,843</b>	<b>6,246,490</b>	<b>7,780,210</b>	<b>3,641,833</b>	<b>2,320,026</b>	<b>405,041</b>	<b>1,876,644</b>	<b>1,013,651</b>	<b>3,742,326</b>	<b>6,769,090</b>	<b>63,930,154</b>
<b>EXPENDITURES</b>											
Current expenditures											
General government	3,944,638	-	192,739	121,561	866,087	-	-	20,000	-	3,385,005	8,530,030
Public safety	1,240,811	-	3,465,600	2,627,624	-	12,644,963	-	-	-	396,062	20,375,060
Physical environment	1,105,094	-	3,684,236	-	-	-	-	-	-	-	4,789,330
Transportation	-	6,082,995	-	-	-	-	-	82,103	139,982	-	6,305,080
Economic environment	382,258	-	-	-	-	-	254,745	-	-	1,415,322	2,052,325
Human services	1,834,728	-	-	-	-	-	-	-	-	-	1,834,728
Culture/recreation	1,348,261	-	72,377	-	-	-	-	-	-	645,306	2,065,944
Court-related	-	-	-	-	1,887,075	-	-	-	-	501,987	2,389,062
Capital outlay											
General government	68,162	-	601,753	-	188	-	-	-	-	43,207	713,310
Public safety	-	-	564,772	281,548	-	360,709	-	-	-	245,484	1,452,513
Physical environment	171,446	-	-	-	-	-	-	-	-	-	171,446
Transportation	-	1,603,774	-	-	-	-	-	284,918	4,142,481	-	6,031,173
Economic environment	-	-	-	-	-	-	593,111	-	-	-	593,111
Culture/recreation	1,050,140	-	750	-	-	-	-	-	-	-	1,050,890
Court-related	-	-	-	-	1,826	-	-	-	-	-	7,106
Debt services											
Principal	-	1,200,876	-	-	-	-	1,208,532	-	-	886,521	3,295,929
Interest	-	49,168	15,543	-	-	-	105,596	-	-	53,022	223,329
<b>Total expenditures</b>	<b>11,145,538</b>	<b>8,936,813</b>	<b>8,597,770</b>	<b>3,030,733</b>	<b>2,755,176</b>	<b>13,005,672</b>	<b>2,161,384</b>	<b>387,021</b>	<b>4,282,463</b>	<b>7,577,196</b>	<b>61,880,366</b>
Excess of revenues over (under) expenditures	18,989,305	(2,690,323)	(817,560)	611,100	(435,150)	(12,600,631)	(285,340)	626,630	(540,137)	(808,106)	2,049,788
Other financing sources											
Sale of fixed assets	-	920,343	-	-	-	-	-	-	-	-	920,343
Interfund transfers in	-	-	40,000	-	435,150	12,600,631	-	-	-	1,661,503	14,737,284
Interfund transfers out	(14,567,798)	(40,000)	(101,937)	-	-	-	-	-	-	(39,486)	(14,749,221)
Debt proceeds	-	1,381,597	575,448	-	-	-	-	-	-	-	1,957,045
Total other financing sources (uses)	(14,567,798)	2,261,940	513,511	-	435,150	12,600,631	-	-	-	1,622,017	2,865,451
Net change in fund balances	4,421,507	(428,383)	(304,049)	611,100	-	-	(285,340)	626,630	(540,137)	813,911	4,915,239
Fund balances beginning of year	12,918,211	5,056,608	1,028,985	2,594,242	-	-	(1,859,841)	5,745,196	4,042,991	6,470,219	35,996,611
Fund balances end of year	\$ 17,339,718	\$ 4,628,225	\$ 724,936	\$ 3,205,342	\$ -	\$ -	\$ (2,145,181)	\$ 6,371,826	\$ 3,502,854	\$ 7,284,130	\$ 40,911,850

See notes to financial statements.



**COLUMBIA COUNTY, FLORIDA**

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

**PROPRIETARY FUND**

**For the Fiscal Year Ended September 30, 2008**

	<u>Landfill Enterprise</u>
<b>OPERATING REVENUES</b>	
Physical environment	
Garbage/solid waste revenue	
Landfill fees commercial	\$ 999,648
Landfill fees contractor	1,471,248
Total physical environment	<u>2,470,896</u>
Miscellaneous	
Sale of surplus recycling	12,083
Other miscellaneous	955
Total miscellaneous	<u>13,038</u>
Total operating revenues	<u>2,483,934</u>
<b>OPERATING EXPENSES</b>	
Landfill	
Personal services	
Regular salaries	510,737
FICA	37,484
Retirement	47,174
Life and health insurance	80,762
Workers' compensation	49,675
Total personal services	<u>725,832</u>
Operating expenses	
Professional services	137,813
Depreciation	379,826
Other contractual services	4,090
Travel and per diem	934
Communications services	2,063
Utility services	16,483
Insurance	6,000
Repairs and maintenance	92,607
Other current charges and obligations	280
Administration fees	74,800
Office supplies	2,896
Operating supplies	11,776
Gas and oil	128,304
Leachate disposal	143,651
Hazardous waste disposal	23,312
Total operating expenses	<u>1,024,835</u>
Total landfill	<u>1,750,667</u>

(Continued)

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

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

**PROPRIETARY FUND**

**For the Fiscal Year Ended September 30, 2008**

	<u>Landfill Enterprise</u>
<b>OPERATING EXPENSES (Continued)</b>	
Code Enforcement	
Personal services	
Salaries	\$ 45,615
FICA	3,678
Retirement	4,886
Health insurance	9,854
Worker's compensation	4,717
Total personal services	<u>68,750</u>
Operating expenses	
Communications	2,069
Repair and maintenance	282
Office supplies	471
Operating supplies	11,567
Gas and oil	5,705
Total operating expenses	<u>20,094</u>
Total code enforcement	<u>88,844</u>
Central Landfill Closure	
Operating expenses	
Professional services	83,620
Contractual services	263,664
Rents and leases	625,361
Total landfill closure	<u>972,645</u>
Total operating expenses	<u>2,812,156</u>
Operating income (loss)	<u>(328,222)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
State grants	
Physical environment	
Small county grant	277,316
Interest earnings	
SBA	1,765
Other	318,182
Loss on sale of fixed assets	(513)
Debt service costs	
Interest	(120,549)
Other debt service costs	(8,589)
Amortization	(26,353)
Total nonoperating revenues (expenses)	<u>441,259</u>
Income (loss) before contributions and transfers	113,037
Transfers in	11,937
Transfer of capital assets to general fixed assets	<u>(183,848)</u>
Change in net assets	(58,874)
Net assets at beginning of year	8,232,743
Net assets at end of year	<u>\$ 8,173,869</u>

See notes to financial statements.

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

To the Board of County Commissioners  
And Constitutional Officers  
Columbia County, Florida

We have audited the financial statements of the governmental activities, the business-type activities, the major funds, and the aggregate remaining fund information of Columbia County, Florida, (the County) as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 17, 2009. 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.

Internal Control Over Financial Reporting - In planning and performing our audit, we considered Columbia County, Florida's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Columbia County, Florida's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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

However, we noted certain matters that we reported to management of the County in a separate letter dated July 17, 2009 on pages 91 - 94.

This report is intended solely for the information and use of management, the Columbia County Board of County Commissioners and Constitutional Officers and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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

**POWELL & JONES**  
July 17, 2009

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL  
CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR  
FEDERAL AWARDS PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECT**

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

Compliance

We have audited the compliance of Columbia County, Florida with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*, and the requirements described in the *Executive Office of the Governor's State Projects Compliance Supplement*, that are applicable to each of its major federal awards programs and state financial assistance projects for the year ended September 30, 2008. Columbia County, Florida's major federal awards programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal awards programs and state financial assistance projects is the responsibility of Columbia County, Florida's management. Our responsibility is to express an opinion on Columbia County, Florida's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States: *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*. Those standards, *OMB Circular A-133*, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal awards program or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about Columbia County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Columbia County, Florida's compliance with those requirements.

In our opinion, Columbia County, Florida complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal awards programs and state financial assistance projects for the year ended September 30, 2008.

Internal Control Over Compliance

The management of Columbia County, Florida is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal awards programs and state financial assistance projects. In planning and performing our audit, we considered Columbia County, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal awards program or state financial assistance project to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over

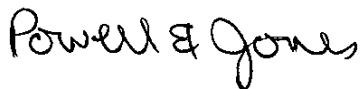
compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal and control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal awards program or state financial assistance project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the basic financial statements of Columbia County, Florida as of and for the year ended September 30, 2008, and have issued our report thereon dated July 17, 2009. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of County Commissioners, Constitutional Officers, management, and federal and state awarding agencies, pass-through entities, and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**POWELL & JONES**  
Certified Public Accountants  
July 17, 2009

**COLUMBIA COUNTY FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
For The Fiscal Year Ended September 30, 2008

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2008
<b>FEDERAL AWARDS</b>								
<b>MAJOR PROGRAMS</b>								
<i>Federal Environmental Protection Agency</i>								
Capitalization Grant for Clean Water State Revolving Funds	66.458	WW74202P	\$ 755,809	\$ 51,220	\$ 120,742	\$ 364,905	\$ 175,881	\$ 309,766
Capitalization Grant for Drinking Water State Revolving Funds	66.468	DW1201010	240,000	-	45,000	195,000	165,000	75,000
Capitalization Grant for Drinking Water State Revolving Funds	66.468	DW1201010	2,405,158	-	-	277,950	277,950	-
			<u>3,400,967</u>	<u>51,220</u>	<u>165,742</u>	<u>837,855</u>	<u>618,831</u>	<u>384,766</u>
<b>US Department of Homeland Security</b>								
<b>Disaster Relief</b>								
Fire Management Assistance Grant/Bugaboo Fire	97.036	FEMA-2689-FMA-FL	390,944	-	-	390,944	390,944	-
<b>Total major programs</b>			<u>3,791,911</u>	<u>51,220</u>	<u>165,742</u>	<u>1,228,799</u>	<u>1,009,775</u>	<u>384,766</u>
<b>NONMAJOR PROGRAMS</b>								
<b>Federal Bureau of Land Management</b>								
<i>passed through Florida Department of Agriculture and Consumer Services</i>								
Title IV-A Rural Fire Grant	15.229	2007 VFD	6,409	6,409	-	6,409	6,409	-
<b>US Department of Justice</b>								
<i>passed through Florida Department of Children and Families</i>								
Stop Violence Against Women Grant	16.598	LN017	91,986	30,247	-	61,739	61,739	-
Stop Violence Against Women Grant	16.588	LN817	69,697	-	-	17,424	17,424	-
			<u>161,683</u>	<u>30,247</u>	<u>-</u>	<u>79,163</u>	<u>79,163</u>	<u>-</u>
<b>Bureau of Justice Assistance/Office of Criminal Justice Grants</b>								
Bulletproof Vest Grant	16.607	FY2007	6,705	-	-	6,705	6,705	-
E. Byrne Memorial Justice Assistance Grant/Equipment	16.738	2007-DJ-BX-0514	24,905	-	-	24,905	6,077	18,128
<i>passed through Florida Department of Law Enforcement</i>								
E. Byrne Memorial Justice Assistance Grant/MJTF JAG #11	16.738	2008-JAGC-COLU-1-Q9-116	60,025	-	-	60,025	60,025	-
E. Byrne Memorial Justice Assistance Grant/City of Lake City	16.738	2008-JAGC-COLU-2-Q9-196	40,016	-	-	31,991	31,991	-
E. Byrne Memorial Justice Assistance Grant/Technology Assistance	16.738	2009-JAGC-COLU-1-M8-275	35,000	-	-	34,302	34,302	-
			<u>135,041</u>	<u>-</u>	<u>-</u>	<u>126,318</u>	<u>126,318</u>	<u>-</u>
Total US Department of Justice			<u>328,334</u>	<u>30,247</u>	<u>-</u>	<u>237,091</u>	<u>218,263</u>	<u>18,128</u>
<b>US Department of Transportation</b>								
<i>passed through Florida Department of Transportation</i>								
Highway Safety Grant	20.600	SC-08-13-26	92,620	-	-	89,230	89,230	-
<b>General Services Administration</b>								
<i>passed through State of Florida Division of Elections</i>								
Election Reform Payments/Voter Education Funds	39.011	FY 06/07	8,203	3,110	5,093	8,662	10,066	3,689
<b>US Election Assistance Commission</b>								
<i>Help America Vote Act</i>								
<i>passed through State of Florida Division of Elections</i>								
Voting Systems Assistance/Pol worker Recruitment	90.400	FY 06/07	9,371	1,682	7,689	8,661	3,589	12,761
<b>U.S. Department of Health and Human Services</b>								
<i>passed through Florida Department of Revenue</i>								
Title IV-D Funds	93.563	CD312	4,214	-	-	4,214	4,214	-
Title IV-D Funds	93.563	CC312	483,167	425,179	-	57,988	57,988	-
			<u>487,381</u>	<u>425,179</u>	<u>-</u>	<u>62,202</u>	<u>62,202</u>	<u>-</u>
<b>US Department of Homeland Security</b>								
<i>passed through the Florida Department of Emergency Management</i>								
Hazard Mitigation Grant	97.039	08HM-3G-03-22-01-056	102,640	-	-	-	-	-
<b>US Department of Homeland Security</b>								
<i>passed through the Florida Department of Community Affairs</i>								
Emergency Management Performance Grant	97.042	08-BG-24-03-22-01-274	15,754	-	-	15,754	15,754	-
<b>Total nonmajor programs</b>			<u>1,050,712</u>	<u>486,627</u>	<u>12,782</u>	<u>428,009</u>	<u>405,513</u>	<u>34,578</u>
<b>Total federal awards</b>			<u>\$ 4,842,623</u>	<u>\$ 517,847</u>	<u>\$ 178,524</u>	<u>\$ 1,656,808</u>	<u>\$ 1,415,288</u>	<u>\$ 419,344</u>

**COLUMBIA COUNTY FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
For The Fiscal Year Ended September 30, 2008

Federal and State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2008
<b>STATE FINANCIAL ASSISTANCE</b>								
<b>MAJOR PROGRAMS</b>								
<b>Florida Department of Transportation</b>								
County Incentive Grant/Bascom Norris Road	55.008	4088139-54-01/AO900	2,826,000	-	-	871,613	871,613	-
Small County Outreach Program/SCOPE CR 349	55.009	211680-2-58-01/ACY46	1,456,452	-	-	1,456,452	1,456,452	-
Small County Road Assistance Program/SCRAP BROWN ROAD	55.016	211652-2-58-01/ACH70	598,400	-	-	598,400	598,400	-
Small County Road Assistance Program/SCRAP CR 246	55.016	211614-2-58-01/AOH71	1,018,346	-	-	1,018,346	1,018,346	-
Small County Road Assistance Program/SCRAP CR 238	55.016	417313-2-58-01	900,900	-	-	-	-	-
Small County Road Assistance Program/SCRAP CR 135	55.016	424167-1-58-01	522,783	-	-	-	-	-
Small County Road Assistance Program/SCRAP CR 778	55.016	424168-1-58-01	710,210	-	-	-	-	-
			<u>8,033,091</u>	<u>-</u>	<u>-</u>	<u>3,944,811</u>	<u>3,944,811</u>	<u>-</u>
<b>Total major programs</b>			<u>8,033,091</u>	<u>-</u>	<u>-</u>	<u>3,944,811</u>	<u>3,944,811</u>	<u>-</u>
<b>NONMAJOR PROGRAMS:</b>								
<b>Office of the Governor</b>								
Economic Development Transportation Trust Grant (EDTF)	31.002	OT07-063	440,000	-	-	405,000	405,000	-
<b>Department of Environmental Protection</b>								
Small County Solid Waste Grant Agreement	37.012	SC804	277,316	-	-	277,316	277,316	-
Florida Recreation Development Assistance Program (FRDAP)	37.017	FD6195	200,000	92,480	-	19,242	19,242	-
Florida Recreation Development Assistance Program (FRDAP)	37.017	FD6090	195,000	-	-	167,921	167,921	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP6025	1,200,000	100,068	-	99,842	99,842	-
			<u>1,872,316</u>	<u>192,548</u>	<u>-</u>	<u>564,321</u>	<u>564,321</u>	<u>-</u>
<b>Department of Agriculture and Consumer Services</b>								
Arthropod Mosquito Control State Aid	42.003	FY07/08	37,000	-	-	37,488	37,488	-
<b>Department of State</b>								
<b>Division of Library Information Services</b>								
Gates Grant	45.xxx	06-GATES-08	15,000	-	15,000	-	15,000	-
State Aid to Libraries Operating/Equalization Grant	45.030	08-ST-13	616,483	-	-	616,483	131,485	484,998
State Aid to Libraries Operating/Equalization Grant	45.030	07-ST-13	648,200	176,848	471,352	-	471,352	-
			<u>1,279,683</u>	<u>176,848</u>	<u>486,352</u>	<u>616,483</u>	<u>617,837</u>	<u>484,998</u>
<b>Department of Community Affairs</b>								
Capital Improvements Element Technical Assistance Grant	52.038	08-DD-J3-08-22-01-071	14,870	-	-	7,761	7,761	-
Emergency Management Performance Grant/MATCH	52.008	08-BG-24-03-22-01-274	102,959	-	-	102,959	102,959	-
			<u>117,829</u>	<u>-</u>	<u>-</u>	<u>110,720</u>	<u>110,720</u>	<u>-</u>
<b>State Housing Initiatives Program</b>								
SHIP Funds 2007	52.901	FY 2008/09	586,106	-	-	586,106	532,767	53,339
SHIP Funds 2008	52.901	FY 2007/08	593,992	148,691	143,305	-	143,305	-
Local Government Trust Disaster Recovery Funds	52.xxx	Exec Order 08-048	2,756,000	-	-	500,000	150,678	349,322
			<u>3,926,098</u>	<u>148,691</u>	<u>143,305</u>	<u>1,086,106</u>	<u>826,750</u>	<u>402,661</u>
<b>Department of Health</b>								
Emergency Medical Services County Grant Program	64.005	C1012	21,170	-	21,170	21,170	21,170	-
Emergency Medical Services County Grant Program	64.005	C2012	20,121	-	20,121	2,330	2,330	17,791
Emergency Medical Services County Grant Program	64.005	C3012	43,208	-	43,208	-	-	43,208
Emergency Medical Services County Grant Program	64.005	C7012	75,306	-	-	75,306	-	75,306
			<u>159,805</u>	<u>-</u>	<u>84,499</u>	<u>98,806</u>	<u>23,500</u>	<u>136,305</u>
<b>Florida Department of Law Enforcement</b>								
Drug Control/Money Laundering Investigations Grant	71.005	FY 2005/2006	100,000	93,310	6,690	-	6,690	-
<b>Florida Wireless 911 Board</b>								
Rural County Grant/911 Grant		FY 2008/2009	541,706	-	-	541,706	541,706	-
Total nonmajor programs			<u>8,474,437</u>	<u>611,397</u>	<u>720,846</u>	<u>3,460,630</u>	<u>3,134,012</u>	<u>1,023,964</u>
<b>Total state financial assistance</b>			<u>\$ 16,507,528</u>	<u>\$ 611,397</u>	<u>\$ 720,846</u>	<u>\$ 7,405,441</u>	<u>\$ 7,078,823</u>	<u>\$ 1,023,964</u>



## MANAGEMENT LETTER

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

We have audited the financial statements of the Columbia County, Florida, as of and for the year ended September 30, 2008, and have issued our report thereon dated July 17, 2009.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated July 17, 2009, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

### BOARD OF COUNTY COMMISSIONERS

#### PRIOR YEAR FINDINGS

Vehicle Maintenance Records – From our prior year procedures at the Road Department, we found that the individual vehicle maintenance records were not up to date primarily due to the lack of data entry in the Fleetwise Software System. In addition to the lack of vehicle management reports, this deficiency also prevented accurate billings to outside departments and agencies and undermined internal control over usage of vehicle parts and supplies. We recommended that proper information be regularly entered into this software, and the resultant reports be generated, reviewed and utilized as a part of the monthly accounting procedures at the Road Department.

Subsequent to the current year end this recommendation was substantially implemented.

All other prior year findings were corrected during the current year.

#### CURRENT YEAR FINDINGS

Cash Receipts – From our testing of selected cash receipts we found several instances where receipts from the remote library locations were deposited from 17 to 22 days after being received. To increase internal control and custody over cash receipts we recommend that these receipts be deposited daily if possible and always by the end of each work week.

Richardson Recreation Center Receipts – From our tests of receipts received at the Richardson Recreation Center we found the following deficiencies:

1. From July 8 through October 28, 2008, there was no record of receipts being issued, although there was evidence of activities that would create cash receipts and also bank deposits being made.
2. For receipts issued from May 9 through July 3, 2008, \$1,430.00 in receipts issued could not be traced to subsequent bank deposits.

Medicaid Billings – During the course of our audit, we found instances where the County was billed for and reimbursed the State for erroneous charges under the State of Florida Medicaid Assistance Programs. These erroneous charges were due to apparent duplicate billings for hospital stays and for nursing home patients who had out of county addresses. Based on our preliminary findings, the County directed us to perform extended procedures regarding this matter. In our separate report dated August 18, 2009, we identified \$189,794.51 in clearly apparent erroneous billings and subsequent payments made to the State under this program. Our review period extended to June 30, 2009. We are aware that the County is seeking reimbursement of these payments from the State, or justification as to why they should not be refunded. Based on our findings, we are aware that the County has instituted additional screening and preaudit procedures to assure that all County payments made under these programs are valid and proper.

#### **CLERK OF THE CIRCUIT COURT**

##### **PRIOR YEAR FINDINGS**

The findings of the prior year were substantially cleared.

##### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

#### **PROPERTY APPRAISER**

##### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

##### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

#### **SHERIFF**

##### **PRIOR YEAR FINDINGS**

Prepaid Phone Cards – From our review of the inmate prepaid phone card inventory system in the prior year, we had found that there was no documentation of the activity of the inventory and distribution of these cards being retained for audit review. For proper accountability, we had recommended that a process of internal controls be implemented over the inventory and distribution of the inmate phone cards that provides for monitoring of the current stock of cards as well as documents the distribution of the cards to individual inmates.

In the current year we determined that there are continued weaknesses in the internal controls over the phone cards resulting in unaccounted for cards totaling \$500. We also determined that there are occasions where an inmate receives a phone card and does not get charged for the card.

We again recommend that the Sheriff implement controls to oversee the phone card inventory that should include the following elements:

- A copy of the vendor invoice as paid should be attached to each denominational batch and the page numbers for the intact batches be kept in sequential order (1 of 10, 2 of 10, 3 of 10, etc). In absence of the pre-printed log page number as provided by the vendor, the Sheriff's staff should manually insert the appropriate page number. These batches should be maintained intact as purchased from the vendor to facilitate an audit trail of these cards.
- Phone cards should not be issued to an inmate until the staff has determined that there are sufficient funds in the Inmate's trust account to cover the cost of the card.
- Phone cards should be maintained in a locked cabinet with limited access by authorized staff.
- The Sheriff's staff should reconcile the phone card inventory sales as indicated by the card logs to the report of card sales generated by the commissary computer system on a monthly basis to be sure that the inmate's trust accounts were charged accordingly.

All other prior year findings were substantially corrected during the current year.

#### **CURRENT YEAR FINDINGS**

941 Reconciliation - From our reconciliation of the 941 reports and the amounts recorded in the payroll related expenditure accounts, we determined that the general ledger totals were recorded at \$63,147 less than the amounts reported on the quarterly 941 reports.

We recommend that the general ledger be reconciled to the reported 941 totals on a quarterly basis and that certain reimbursement revenues for payroll related expenditures be posted to a revenue account instead of offsetting expenditures.

Sales Tax Disbursements - From our review of the expenditures in the Inmate Welfare Fund we determined that there were various purchases that included payment of sales taxes which totaled \$191.

We recommend that all staff utilize the existing sales tax exemption certificate for all such purchases and eliminate these unnecessary costs from the trust fund.

#### **SUPERVISOR OF ELECTIONS**

##### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

##### **CURRENT YEAR FINDINGS**

###### Employee Taxable Fringe Benefits

From our audit we found that the Office provides cell phones to employees without charging for personal use. While this practice is allowable under Florida law, it constitutes taxable benefits under applicable Internal Revenue Service regulations. Although the amounts involved are small,

we recommend that the Supervisor of Elections take necessary steps to fully comply with Internal Revenue Service regulations regarding taxable fringe benefits.

#### **TAX COLLECTOR**

#### **PRIOR YEAR FINDINGS**

There were no reportable findings in the prior year.

#### **CURRENT YEAR FINDINGS**

There were no reportable findings in the current year.

#### **AUDITOR GENERAL COMPLIANCE MATTERS**

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2008.

Investment of Public Funds - The County complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the fiscal year.

Financial Emergency Status - Nothing came to our attention that caused us to believe that the County had met any of conditions described in Section 218.503(1)(a), *Florida Statutes*, that might result in a financial emergency.

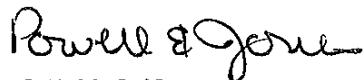
Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(7)(c) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based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

Requirements of Section 28.35 Florida Statutes - For the fiscal year ended September 30, 2008, the Clerk of the Circuit Court complied with the following:

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

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

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



**POWELL & JONES**  
Certified Public Accountants  
July 17, 2009

# P. DeWitt Cason

Clerk of Circuit Court - Columbia County, Florida



September 3, 2009

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

Dear Mr. Powell:

This letter is to confirm that I have received the Management Letter, prepared by your firm, for our financial statement audit for the fiscal year ended September 30, 2008.

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

Sincerely,

A handwritten signature in black ink that reads "P. DeWitt Cason".

P. DeWitt Cason  
Columbia County Clerk of Courts

# J. DOYLE CREWS

PROPERTY APPRAISER - COLUMBIA COUNTY, FLORIDA



September 3, 2009

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

RE: Management Letter-Audit for Year Ended September 30, 2008

Dear Mr. Powell:

Thank you for the Management letter regarding the audit your office conducted on the Columbia County Property Appraiser's office for year ended September 30, 2009.

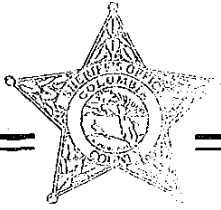
I have noted that there were no reportable findings in the prior or current year. Thanks again and we look forward to working with your office in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Doyle Crews".

J. Doyle Crews, CFA  
Property Appraiser

JDC/kdm  
Cc: Dale Williams, County Manager



## Sheriff Mark Hunter

### COLUMBIA COUNTY SHERIFF'S OFFICE

4917 US Hwy. 90 East • Lake City, Florida 32055-6288

[www.columbiasheriff.com](http://www.columbiasheriff.com)

September 10, 2009

Powell & Jones, Certified Public Accountants  
1359 S.W. Main Boulevard  
Lake City, FL 32025

Dear Mr. Powell,

I have reviewed the audit report of the financial activities for the Office of Sheriff from the period of time of October 1, 2007, to September 30, 2008, which is prior to my appointment. I would like to take this opportunity to respond to the management letter and thank the staff for their hard work and dedication to this office.

In response to the audit findings for the period ending September 30, 2008, these are the actions taken to correct those findings:

**941 Reconciliation** - We have implemented schedules whereby the 941 totals will reconcile with the General Ledger totals by adding additional revenue accounts.

**Sales Tax Disbursements** - We have implemented procedures to identify and separate the various purchases which are exempt from sales tax in the Inmate Welfare Trust Funds.

Considering the size of our budget, personnel and overall operation, we feel these findings were all very workable and appreciate the assistance of you and your staff.

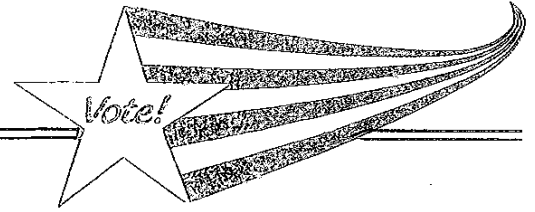
Sincerely,

A handwritten signature in cursive script that reads 'Mark Hunter'.

Mark Hunter  
Sheriff, Columbia County

*Liz P. Horne*

SUPERVISOR OF ELECTIONS, COLUMBIA COUNTY



September 10, 2009

Powell & Jones CPA  
1359 SW Main Blvd.  
Lake City, Fl. 32025

Re: Annual Financial Report, Supervisor of Elections Fiscal Year ending September 30, 2008.

Dear Mr. Powell:

We have received the Columbia County, Florida Supervisor of Elections Annual Financial Report for the fiscal year ending September 30, 2008.

We will immediately have the 3 employees who use their cell phones for work and personal use start paying \$25.00 a month for the usage effective immediately.

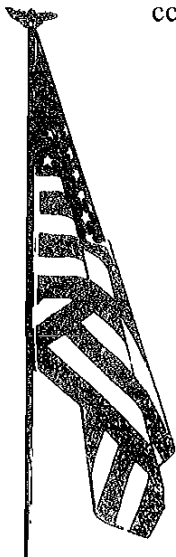
We respectfully accept this Report.

Sincerely,

*Elizabeth P. Horne*

Elizabeth P. Horne  
EPH/jl

cc: Auditor General, State of Fl.



Office (386) 758-1026 ★ Fax (386) 755-7233  
971 W. Duval Street, Suite 102 ★ Lake City, Florida 32055-3734  
www.votecolumbia.com ★ Email: election@votecolumbia.com





**RONNIE BRANNON, C.F.C.**  
**COLUMBIA COUNTY TAX COLLECTOR**

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135 NE Hernando Ave., Suite 125 • Lake City, Florida 32055-4006  
Telephone (386) 758-1077 • Fax (386) 719-7462

**MEMORANDUM**

TO: Richard Powell Fax Transmission  
Powell & Jones, CPA's

FROM: Ronnie Brannon *RB*

RE: Management Letter (DRAFT)

DATE: September 2, 2009

.....

I am in receipt of your management letter (draft) of the recent financial audit of my office for the fiscal year ending September 30, 2008.

I have no questions or concerns about the audit at this time.

Thank you for your efforts and do not hesitate to contact me if I can ever be of service to you or your firm.