

COLUMBIA COUNTY, FLORIDA

AUDIT REPORT HIGHLIGHTS

Fiscal Year Ended

September 30, 2017



AUDIT OPINION (Pages 8 – 10)

- **States that we conducted a full financial audit of County which includes the Board and each of the five Constitutional Officers**

- **The audit was conducted in accordance with applicable auditing standards that include:**
 - **Financial auditing standards**
 - **Government auditing Standards**
 - **State Single Audit standards**

- **Audit objective – To express our unmodified (clean) opinion on the financial statements.**
 - **County has this highest level of assurance which is a good reflection on the quality of financial records and internal control procedures of the Board and Constitutional Officers**

MANAGEMENT'S DISCUSSION AND ANALYSIS (Pages 11-19)

This section contains certain required overview information on the County. Due to the fact that it is derived from the financial statements, in the interest of time I request that you read this section on your own and I will go directly to the pertinent financial statements.

GOVERNMENTAL FUNDS BALANCE SHEET (Page 23)

The County maintains 30 Governmental Funds which include 8 major funds listed separately on this statement and 22 non-major funds that are shown separately on pages 87-91 and shown as a total on this statement.

The Balance Sheet is a snapshot financial view of these funds at the end of the fiscal year September 30, 2017. Highlights are as follows:

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2017

	General Fund	Total Governmental Funds
Total Assets	\$ 16,855,983	\$ 52,475,896
Total Liabilities	(1,189,062)	(4,630,589)
Fund Balances		
Nonspendable	971,030	1,109,119
Restricted	1,029,785	19,920,973
Committed	940,532	959,571
Assigned	674,559	13,804,629
Unassigned	12,051,015	12,051,015
	<u>\$ 15,666,921</u>	<u>\$ 47,845,307</u>

General Fund
Unassigned and Assigned:

Percent of Expenditures	40.7%
Equivalent months	4.9

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Fiscal Year Ended September 2017 (Page 24)

	General Fund	Total Governmental Funds
Revenues	\$ 31,027,025	\$ 62,580,138
Expenditures and transfers	(30,588,273)	(62,184,410)
Net Change in Fund Balance	<u>\$ 438,752</u>	<u>\$ 395,728</u>
Net changes as percent of revenues	1.41%	0.63%
<u>PRIOR YEAR – 9-30-16</u>		
Net change in fund balance	\$ 1,714,601	\$ 9,806,167
Percent of revenues	5.27%	15.67%
TOTAL CAPITAL OUTLAY	\$ 284,841	\$ 7,341,070
PRIOR YEAR CAPITAL OUTLAY	482,738	6,182,489

PROPRIETARY FUNDS

Proprietary (Enterprise) Funds are utilized for County operations which are intended to fully operate from user charges. Enterprise Funds utilize business accounting principles.

The County maintains the following Enterprise Funds:

- Landfill Enterprise**
- Utilities**

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Pages 26-27)

The Statement of Net Position is the equivalent balance sheet and provides a snapshot visual view of those funds at September 30, 2017. Financial highlights are as follows:

	Landfill	Utilities
Total assets	\$ 20,339,524	\$ 6,090,705
Total liabilities	(7,068,386)	(3,143,898)
Net position		
Invested in fund assets	7,490,104	3,971,477
Unrestricted	5,781,034	(1,024,670)
	<u>\$ 13,271,138</u>	<u>\$ 2,946,807</u>
Unrestricted as percentage of total expenses	<u>208.7%</u>	<u>(368.0%)</u>

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (Page 28)

	Landfill	Utilities
Operating revenues	\$ 3,328,805	\$ 80,829
Operating expenses	(2,769,254)	(278,434)
Operating income	559,551	(197,605)
Other revenues	192,422	846,967
 Increase in net position	 \$ 751,973	 \$ 649,362
 Change in cash		
Beginning	\$ 99,224	\$ 712,221
Increase (decrease)	1,481,613	(89,723)
Ending	\$ 1,580,837	\$ 622,498

CAPITAL ASSETS (Pages 49-50)

	Governmental	Business-type	Totals	
	Activities	Activities	2017	2016
Land and land interests	\$ 11,099,890	\$ 2,087,118	\$ 13,187,008	\$ 12,415,763
Construction in progress	8,261,400	1,244,144	9,505,544	8,215,583
Infrastructure	167,614,077	-	167,614,077	164,972,258
Buildings and improvements	60,421,648	16,839,462	77,261,110	75,249,417
Equipment	25,798,049	3,688,584	29,486,633	28,822,430
	273,195,064	23,859,308	297,054,372	289,675,451
Less accumulated depreciation	(156,296,049)	(11,320,131)	(167,616,180)	(157,872,745)
	<u>\$ 116,899,015</u>	<u>\$ 12,539,177</u>	<u>\$ 129,438,192</u>	<u>\$ 131,802,706</u>
Percent Depreciated	<u>57.2%</u>	<u>47.4%</u>	<u>56.4%</u>	<u>54.5%</u>

DEBT MANAGEMENT (Pages 53-57)

Governmental Activities Debt

During the year, total long-term debt increased by **\$851,212**. This was primarily the result of the increase in the County's proportionate share of the Florida State Retirement System net pension liability in the amount of **\$2,788,659**. The following schedule shows the balances of the County's governmental long-term debt at year end:

	Governmental Debt	
	Total	Percent
Revenue bonds	\$ 8,749,505	18.1%
Capital leases	1,090,225	2.3%
Compensated absences	2,095,047	4.3%
County's proportionate share FRS pension liability	36,272,959	75.3%
	<u>\$ 48,207,736</u>	<u>100.0%</u>

Business-type Activities Debt

The County has received loans from the Florida Department of Environmental Protection in support of its utility services. The total balances payable of these loans was \$1,077,596 at September 30, 2017.

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

SINGLE AUDIT AND COMPLIANCE SECTION

Government Auditing Standards Report (Page 93-94)

Audit procedures required by *Government Auditing Standards* go beyond financial issues and include Internal Control over Financial Reporting and Compliance with laws, regulations, contracts and related matters.

This report contains no findings or questioned costs relating to these procedures.

STATE SINGLE AUDIT REPORT (Pages 95-97)

The Florida Single Audit requirements include extended compliance procedures over the major State Programs. In this year the major programs are:

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

This report also contains no findings or questioned costs.

MANAGEMENT LETTER (Pages 102-104)

The Management letter is required by Chapter 10.550, *Rules of the Auditor General*, and contains any findings and recommendations that were not included in the previous reports, but items with which we wish to make the Board and Constitutional Officers aware of.

In this letter all prior year findings were corrected during the current year and there were no reportable findings in the current year for either the Board of County Commissioners, Clerk, Property Appraiser, Sheriff, Supervisor of Elections or Tax Collector.

I believe this is the first year there have been no reportable findings in the County Audit Report.

INDEPENDENT ACCOUNTANT'S REPORT (Page 105)

Rules of the Auditor General require that we perform procedures to verify compliance in the following areas:

1. Investment of public funds
2. E911 grant compliance
3. Clerk's court-related budgetary compliance
4. Clerk's compliance with State Court

Performance Standards

We performed appropriate procedures and had no findings regarding these matters.