

# **COLUMBIA COUNTY, FLORIDA**

## **ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended September 30, 2001



**Powell & Jones**  
Certified Public Accountants

# COLUMBIA COUNTY, FLORIDA

## ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2001

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# **INTRODUCTORY SECTION**

**COLUMBIA COUNTY, FLORIDA**  
**LIST OF PRINCIPAL OFFICIALS**  
**September 30, 2001**

<u>Title</u>	<u>Name</u>
<b>Board of County Commissioners</b>	
District I	Ronald Williams
District II	Dewey Weaver
District III	George Skinner
District IV	Kenneth Witt
District V	James Montgomery
<b>County Attorney</b>	Marlin M. Feagle
<b>Clerk of Circuit Court</b>	P. DeWitt Cason
<b>Property Appraiser</b>	J. Doyle Crews
<b>Sheriff</b>	Frank Owens
<b>Supervisor of Elections</b>	Carolyn D. Kirby
<b>Tax Collector</b>	H. Ray Walker

# **FINANCIAL SECTION**



Florida Department of Banking and Finance  
Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying general purpose financial statements of Columbia County, Florida, as of and for the year ended September 30, 2001, as listed in the preceding table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, 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.

A detail report of general fixed asset deletions could not be produced for the year ended September 30, 2001. In the absence of such records, it was not practicable to determine the fairness of amounts reported for general fixed assets. Accordingly, we do not express an opinion on the General Fixed Assets Account Group as of September 30, 2001.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had detail general fixed asset deletion records been available, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Columbia County, Florida, as of September 30, 2001, and the results of its operations and cash flows of its proprietary fund type 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 August 16, 2002, on our consideration of Columbia County, Florida's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

# **COMBINED FINANCIAL STATEMENTS**

## COLUMBIA COUNTY, FLORIDA

### COMBINED BALANCE SHEET ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 2001

<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
<u>Enterprise Fund</u>	<u>Trust and Agency Funds</u>	<u>General Fixed Assets Group</u>	<u>General Long-term Debt Group</u>	
\$ 8,987,859	\$1,756,765	\$ -	\$ -	\$ 32,231,442
347,349	1,593	-	-	494,393
162,046	120,220	-	-	4,116,034
21,342	13,622	-	-	1,825,726
-	-	-	-	46,542
487,743	-	-	-	12,689,413
-	-	-	-	58,205
1,963,327	-	-	-	1,963,327
887,973	-	-	-	887,973
7,079,071	-	-	-	7,079,071
2,933,955	-	-	-	2,933,955
(6,799,162)	-	-	-	(6,799,162)
-	-	2,225,857	-	2,225,857
-	-	12,710,554	-	12,710,554
-	-	38,199,384	-	38,199,384
-	-	16,035,253	-	16,035,253
-	-	20,309,157	-	20,309,157
-	-	-	-	36,758
261,329	-	-	-	392,825
-	-	-	22,319,886	22,319,886
<u>\$16,332,832</u>	<u>\$1,892,200</u>	<u>\$ 89,480,205</u>	<u>\$ 22,319,886</u>	<u>\$169,756,593</u>
\$ 239,400	\$ -	\$ -	\$ -	\$ 1,286,132
-	79,594	-	-	79,594
134,594	685,062	-	-	4,116,034
-	658,963	-	-	680,743
-	184,236	-	-	184,236
-	3,065	-	-	3,065
75,130	25,053	-	-	100,183
-	-	-	-	62,545
51,231	-	-	-	51,231
-	218,000	-	-	228,000
-	-	-	-	58,205
-	38,227	-	-	41,444
330,000	-	-	-	330,000
35,000	-	-	-	35,000

(continued)

**COLUMBIA COUNTY, FLORIDA**

**COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS**

September 30, 2000

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
		General Fixed Assets Group	General Long-term Debt Group	
\$ -	\$ -	\$ -	\$ 1,019,168	\$ 1,019,168
-	-	-	1,483,941	1,483,941
-	-	-	18,743,500	18,743,500
-	-	-	1,073,277	1,073,277
4,330,000	-	-	-	4,330,000
2,621,071	-	-	-	2,621,071
<u>7,816,426</u>	<u>1,892,200</u>	<u>-</u>	<u>22,319,886</u>	<u>36,527,369</u>
506,174	-	-	-	506,174
-	-	-	-	35,232,613
8,010,232	-	-	-	8,010,232
-	-	89,480,205	-	89,480,205
<u>8,516,406</u>	<u>-</u>	<u>89,480,205</u>	<u>-</u>	<u>133,229,224</u>
<u>\$16,332,832</u>	<u>\$1,892,200</u>	<u>\$ 89,480,205</u>	<u>\$ 22,319,886</u>	<u>\$169,756,593</u>

See notes to financial statements.



## COLUMBIA COUNTY, FLORIDA

### COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended September 30, 2001

	General Funds	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals (Memorandum Only)
<b>EXPENDITURES (continued)</b>					
Debt Service					
General government	\$ 319,141	\$ -	\$ -	\$ 1,689,911	\$ 2,009,052
Public safety	3,491	2,947	-	-	6,438
Transportation	-	138,668	554,538	137,284	830,490
Economic environment	-	-	90,729	190,206	280,935
Total expenditures	20,453,086	12,722,393	645,267	12,804,508	46,625,254
Excess (deficiency) of revenues over expenditures	(259,268)	1,542,227	698,600	(6,331,358)	(4,349,799)
<b>OTHER FINANCING SOURCES (USES)</b>					
Debt proceeds	28,841	264,272	-	6,001,500	6,294,613
Interfund transfers in	10,319,770	122,450	-	5,433,695	15,875,915
Interfund transfers out	(9,765,425)	(1,321,795)	(650,000)	(4,138,695)	(15,875,915)
Total other financing sources (uses)	583,186	(935,073)	(650,000)	7,296,500	6,294,613
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	323,918	607,154	48,600	965,142	1,944,814
Fund balances at beginning of year	8,973,050	10,249,960	2,440,589	11,624,200	33,287,799
Fund balances at end of year	\$ 9,296,968	\$10,857,114	\$ 2,489,189	\$12,589,342	\$35,232,613

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL**

**GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND CAPITAL PROJECTS FUNDS**

For the Fiscal Year Ended September 30, 2001

Funds Variance Favorable (Unfavorable)	Debt Service Funds			Capital Projects Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 125,306	\$ 1,261,211	\$ 1,259,884	\$ (1,327)	\$ 1,476,885	\$ 1,278,088	\$ (198,797)
22,331	-	-	-	-	-	-
(421,665)	-	-	-	5,003,929	4,137,981	(865,948)
116,544	-	-	-	45,072	45,071	(1)
89,047	-	-	-	-	-	-
242,544	60,000	83,983	23,983	739,932	1,012,010	272,078
174,107	1,321,211	1,343,867	22,656	7,265,818	6,473,150	(792,668)
(126,455)	-	-	-	791,487	713,109	78,378
102,846	-	-	-	-	-	-
4,687	-	-	-	-	-	-
63,531	-	-	-	1,336,251	826,497	509,754
492,366	-	-	-	-	126,739	(126,739)
-	-	-	-	-	-	-
170,019	-	-	-	-	-	-
(27,921)	-	-	-	4,659,600	4,707,569	(47,969)
4,265	-	-	-	-	-	-
(219,760)	-	-	-	3,982,500	1,809,437	2,173,063
(1,050)	-	-	-	3,050,000	2,603,756	446,244
-	-	-	-	-	-	-
41,860	-	-	-	-	-	-
-	-	-	-	1,692,552	1,689,911	2,641
-	-	-	-	-	-	-
1,446	533,996	554,538	(20,542)	136,534	137,284	(750)
-	90,730	90,729	1	187,600	190,206	(2,606)
505,834	624,726	645,267	(20,541)	15,836,524	12,804,508	3,032,016
679,941	696,485	698,600	2,115	(8,570,706)	(6,331,358)	2,239,348
264,272	-	-	-	6,000,000	6,001,500	1,500
19,429	-	-	-	1,110,000	5,433,695	4,323,695
119,921	(650,000)	(650,000)	-	(15,000)	(4,138,695)	(4,123,695)
403,622	(650,000)	(650,000)	-	7,095,000	7,296,500	201,500
1,083,563	46,485	48,600	2,115	(1,475,706)	965,142	2,440,848
-	2,440,589	2,440,589	-	11,624,200	11,624,200	-
\$ 1,083,563	\$ 2,487,074	\$ 2,489,189	\$ 2,115	\$10,148,494	\$12,589,342	\$ 2,440,848

# COLUMBIA COUNTY, FLORIDA

## LANDFILL ENTERPRISE FUND

### COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

For the Fiscal Year Ended September 30, 2001

#### OPERATING EXPENSES (continued)

Recycling	
Personal services	
Regular salaries	\$ 48,901
FICA	3,815
Retirement	4,277
Life and health insurance	5,438
Worker's compensation	4,689
Total personal services	<u>67,120</u>
Operating expenses	
Insurance	8,000
Repair and maintenance	11,922
Operating supplies	4,960
Gas and oil	5,000
Total operating expenses	<u>29,882</u>
Total landfill recycling	<u>97,002</u>
Solid Waste Grants	
Operating expenses	
Other contractual services	<u>2,895</u>
Grants and aids	
City of Lake City	43,680
Waste tire recycling	22,805
Total grants and aids	<u>66,485</u>
Total solid waste grant	<u>69,380</u>
Total operating expenses	<u>2,520,699</u>
Operating income	<u>824,807</u>
NONOPERATING REVENUES (EXPENSES)	
State grants	
Physical environment	
Small County grant	50,000
Recycling and education	95,143
Waste tire grant	21,285
Hazardous waste material grant	6,095
Interest earnings	
Interest on investments	563,173
Interest SBA	18,568
Landfill	
Debt service	
Interest	(253,461)
Other debt service costs	(17,889)
Bond issuance costs	(26,353)
Total nonoperating revenues (expenses)	<u>456,561</u>
Net income	1,281,368
Retained earnings, beginning of year	<u>6,728,864</u>
Retained earnings, end of year	<u>\$8,010,232</u>

See notes to financial statements. 1 - 12

**COLUMBIA COUNTY, FLORIDA**

LANDFILL ENTERPRISE FUND

COMBINED STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2001

Reconciliation of Operating Income to Net  
Cash Provided by Operating Activities

Operating income	<u>\$ 824,807</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	997,290
(Increase) decrease in assets:	
Accounts receivable	167,881
Due from other governmental units	(14,891)
Increase in liabilities:	
Accounts payable	171,207
Accrued compensated absences	7,133
Increase in estimated closure liability	<u>394,716</u>
Total adjustments	<u>1,723,336</u>
Net cash provided by operating activities	<u>\$2,548,143</u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2001

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Columbia County, Florida have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

#### A. Reporting Entity

Columbia County, Florida (the "County") is a political subdivision of the State of Florida created under Section 1, Article VIII of the State Constitution. It is governed by an elected Board of County Commissioners (the "Board") which is governed by state statutes and regulations, and ordinances adopted by the Board. In addition, there are five Constitutional Officers who are separately elected, which include the Clerk of Circuit Court, Sheriff, Tax Collector, Property Appraiser, and the Supervisor of Elections. Pursuant to Florida Statutes, the Clerk of the Circuit Court for the County serves as clerk and accountant of the Board of County Commissioners. The Board currently has varying budgetary control, but not administrative control, over the activities for the other Constitutional Officers, some of whom have the authority and responsibility for collecting revenues within their areas of jurisdiction and remitting such collections to the Board.

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

The Board is the legislative and governing body of Columbia County, Florida, established under the legal authority of the Constitution of the State of Florida, and consists of five elected officials. The Clerk of the Circuit Court serves as Clerk of the Board pursuant to Florida law.

The Board uses the criteria established in GASB No. 14 to define the reporting entity and identify component units. Component units are entities for which the Board is considered to be financially accountable.

As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the Board), (2) organizations for which the Board is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Board is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

County funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. In these financial statements, the Board's general fund is combined with those of the Constitutional Officers.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. Terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

### **C. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds, nonexpendable trust funds, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in the net total assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers most revenues as available if they are collected within sixty days after year end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

## J. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the related fixed assets, as applicable.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are capitalized in the general fixed assets account group.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment and vehicles in the proprietary fund type is computed using the straight-line method over the following estimates useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	30
Building improvements	30
System infrastructure	20
Vehicles	5
Equipment	7

As applicable, interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

## K. Compensated Absences

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

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

In the proprietary funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

## L. Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

## NOTE 2. LEGAL COMPLIANCE - BUDGETS

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

1. Prior to July 15, the Clerk of Circuit Court, serving as Budget Officer, submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Various such amendments were made during the year. Appropriations lapse at year end. No supplemental appropriations were necessary during the year.
5. Formal budgetary integration is employed as a management control device in all governmental funds.
6. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2001, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budgets are adopted on the accrual basis.
7. Legal control of the budget is exercised as provided in *Florida Statutes*, as follows: The County's annual budget is monitored at varying levels of classification detail. However, for the purpose of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level, as specified in Chapter 129, *Florida Statutes*.

The County has not adopted any ordinance or resolution that extends budgetary control beyond the total annual budget appropriation at the individual fund level.

Monitoring of budget classification below the total annual budget appropriation at the individual fund level is performed by various parties. Generally, department managers may initiate line item budget transfers within their department.

Management authorizations for transfers between departments within a fund may be approved by the Board. Only the Board can authorize transfers between funds or approve budget amendments that change the total annual budget appropriation of an individual fund.

## NOTE 3. PROPERTY TAXES

All real and tangible personal property taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified by the Property Appraiser. The Tax Collector mails to each property owner on the assessment roll a notice of taxes levied by the various governmental entities in the County. Taxes may be paid upon receipt of such notice with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount. All unpaid taxes on real and



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

\*Investments in the investment pools cannot be classified in any credit risk category because the investments are not evidenced by identifiable securities that exist in physical or book entry form.

#### NOTE 5. RECEIVABLES

Receivables at September 30, 2001, consist of the following:

<u>Fund Type</u>	<u>Accounts and Notes Due From Individuals</u>	<u>Due from other Govern- mental Units</u>	<u>Total</u>
General	\$ 6,377	\$ 267,559	\$ 273,936
Special Revenue	139,074	165,540	304,614
Debt Service	-	214,936	214,936
Capital Projects	-	1,142,727	1,142,727
Enterprise	347,349	21,342	368,691
Agency	1,593	13,622	15,215
	<u>\$ 494,393</u>	<u>\$1,825,726</u>	<u>\$ 2,320,119</u>

The County considers all of these receivables to be collectible and no allowance for uncollectibility has been provided in the financial statements. In addition to these receivables reflected on the balance sheet, the County has the following receivables that did not meet the criteria for revenue recognition at September 30, 2001:

**Ambulance fees** - In April, 1990, the County assumed operation of the county-wide rescue-ambulance service, including the patient billing operation. Although the County is actively attempting to collect these billed accounts, it is estimated that a substantial amount will not be collected. Receivables due from insurance programs have been recorded in the financial statements.

#### NOTE 6. CHANGES IN FIXED ASSETS

A summary of changes in the general fixed assets follows:

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>
Land	\$ 2,159,852	\$ 66,005	\$ -	\$ 2,225,857
Buildings	12,610,374	100,180	-	12,710,554
Improvements other than buildings	33,148,356	5,051,028	-	38,199,384
Construction in progress	11,296,218	4,739,035	-	16,035,253
Equipment	18,455,067	1,903,640	49,550	20,309,157
Total general fixed assets	<u>\$ 77,669,867</u>	<u>\$11,859,888</u>	<u>\$ 49,550</u>	<u>\$ 89,480,205</u>

The following is a summary of changes in fixed assets during the year for the enterprise fund:

	<u>Balance October 1, 2000</u>	<u>Net Additions (Deletions)</u>	<u>Balance September 30, 2001</u>
Land	\$ 887,973	\$ -	\$ 887,973
Equipment	2,857,273	76,682	2,933,955
Improvements other than buildings	7,079,071	-	7,079,071
	10,824,317	76,682	10,900,999
Less: accumulated depreciation	(5,801,872)	(997,290)	(6,799,162)
Net fixed assets	<u>\$ 5,022,445</u>	<u>\$ (920,608)</u>	<u>\$ 4,101,837</u>

- B. The Sheriff has an installment payment agreement with Xerox Corporation for a copy machine costing \$26,459. The agreement calls for sixty monthly payments of \$536, including interest at 8%.
- C. The Supervisor of Elections had an installment payment agreement with Xerox Corporation for the purchase of a copy machine costing \$8,695. The agreement was being paid in seventy-two monthly installments of \$150, including interest at 7.5%. This lease was paid off in the current year.
- D. The Supervisor of Elections has an installment payment agreement with Xerox Corporation for the purchase of a copier costing \$8,695. The agreement was being paid in seventy-two monthly installments of \$150, including interest at 7.5%. This copy machine was exchanged for a new copy machine costing \$28,842. The new agreement is being paid in sixty monthly installments of \$634, including interest of 11.5%.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 2001:

<u>September 30,</u>	<u>County Commission Governmental</u>	<u>Sheriff</u>	<u>Supervisor of Elections</u>	<u>Total</u>
2002	\$ 241,183	\$ 6,438	\$ 7,612	\$ 255,233
2003	769,713	1,610	7,612	778,935
2004	48,987	-	7,612	56,599
2005	354,755	-	7,612	362,367
2006	220,588	-	-	220,588
Total minimum lease payments	<u>1,635,226</u>	<u>8,048</u>	<u>30,448</u>	<u>1,673,722</u>
Less: amount representing interest	<u>183,233</u>	<u>414</u>	<u>6,134</u>	<u>189,781</u>
Present value of future minimum lease payments	<u>\$1,451,993</u>	<u>\$ 7,634</u>	<u>\$ 24,314</u>	<u>\$1,483,941</u>

**NOTE 8. LONG-TERM DEBT**

Notes Payable

- A. The Board has a note with Columbia County Bank, associated with the County owned Florida Sports Hall of Fame and Tourist Information Center Complex. This loan is secured by proceeds of the Three Cent Tourist Development Tax levied by the County, and certain revenues of the complex. Details of this loan follow:

Original amount	\$1,170,000
Current interest rate	4.75%
Payment, monthly	\$ 7,561
Due date	01-21-2019

- B. On September 1, 1995, the County refinanced the Series 1994 Solid Waste Disposal Revenue Bonds with a fixed rate loan from the City of Gulf Breeze, Florida Local Government Loan program. The loan of \$6,090,000 is being repaid over a period of seventeen years with interest rates ranging from 3.70% to 5.90%. The debt is payable from the net revenues of the Solid Waste Disposal facility. Debt service is accounted for in the Landfill Enterprise Fund.

Annual debt service requirements to maturity for notes payable including interest of \$2,060,655, are as follows:

- D. On April 15, 1996, the County also closed on a Revenue Term Bond in the amount of \$1,700,000. The proceeds were used to construct a manufacturing plant to be leased by the County to Homes of Merit, a mobile home manufacturing facility. The bonds are being repaid over a period of eleven years with an average interest rate of 7.23%. The debt is secured by the State Half-Cent Sales Tax revenue, but is being paid from lease revenue.

Debt service requirements to maturity including interest of \$444,649, are as follows:

Fiscal Year Ending September 30,	Amount
2002	\$ 190,752
2003	189,807
2004	188,505
2005	190,987
2006	192,687
Thereafter	841,911
	<u>\$ 1,794,649</u>

- E. On February 23, 2000, the County also closed on a Revenue Term Bond in the amount of \$3,500,000. The proceeds were used for infrastructure improvements to accommodate Service Zone. The bonds are being repaid over a period of six years with an average interest rate of 5.36%. The debt is secured by the State Half-Cent Sales Tax revenue. Debt service is accounted for in the applicable debt service fund.

Debt service requirements to maturity including interest of \$562,800, are as follows:

Fiscal Year Ending September 30,	Amount
2002	\$ 917,500
2003	390,700
2004	377,300
2005	1,093,800
2006	1,283,500
	<u>\$ 4,062,800</u>

- F. On December 27, 2000, the County closed on a serial bond issue held by SunTrust Bank in the amount of \$6,001,500. The proceeds are being used for the County connector road project. The bonds are being repaid over five years with a fixed interest rate of 4.5%. The debt is secured by the County Five Cent Local Option Gas Tax.

Debt service requirements to maturity including interest of \$717,783, are as follows:

Fiscal Year Ending September 30,	Amount
2002	\$ 1,249,034
2003	1,300,250
2004	1,348,500
2005	1,441,125
2006	1,380,375
	<u>\$ 6,719,284</u>

#### Changes in Long-Term Liabilities

During the year ended September 30, 2001, the following occurred in liabilities reported in the general long-term debt account group:

disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County's management expects such amounts, if any, to be immaterial.

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

#### **NOTE 11. PENSION PLAN**

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

**Funding Policy** - The System is employee noncontributory. The County is required to contribute at an actuarially determined rate. The rates at September 30, 2001 were as follows: Regular Employees 7.30%; Special Risk Employees 18.44%; Senior Management 9.28%; Elected Officials 15.14%. The contribution requirements of plan members and the County are established and may be amended by the Florida Legislature. The County's contributions to the System for the years ending September 30, 2001, 2000 and 1999 were \$1,581,203, \$1,644,974, and \$1,888,114, respectively, equal to the required contributions for each year.

#### **NOTE 12. RENTAL COMMITMENTS**

The Board of County Commissioners is committed until January 31, 2002 and November 30, 2003, under leases for office space costing \$36,000 and \$200,000 respectively, per year.

#### **NOTE 13. RISK MANAGEMENT**

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

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

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

#### **NOTE 14. LANDFILL CLOSURE AND POSTCLOSURE COSTS**

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

# **COMPLIANCE SECTION**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING 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 general purpose financial statements of Columbia County, Florida, as of and for the year ended September 30, 2001, and have issued our report thereon dated August 16, 2002. 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.

Compliance

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 instance of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to management of Columbia County, Florida in a separate management letter dated August 16, 2002, on pages 1-40 - 1-44.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Columbia County, Florida's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the Columbia County, Florida in a separate management letter dated August 16, 2002, on pages 1-40 - 1-44.

COLUMBIA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the Fiscal Year Ended September 30, 2001

Grantor/Program Title	CFDA#	Grant Number	Award Amount	Reported in Prior Years	Fund Balance October 1, 2000	2001		Fund Balance September 30, 2001
						Revenue Recognized	Expenditures	
<b>FEDERAL AWARDS</b>								
<b>MAJOR PROGRAM</b>								
U.S. Department of Justice Passed through Florida Department of Law Enforcement - OBTS Enhancement Byrne Formula Grant	16.579	*01-CJ-JI-03-22-01-213	\$ 369,509	\$ -	\$ -	\$ 343,635	\$ 343,635	\$ -
<b>NONMAJOR PROGRAMS</b>								
U.S. Department of Health and Human Services Passed through Florida Department of Revenue - Title IV-D Funds	93.563	CC312	73,547	-	-	73,547	73,547	-
U.S. Department of H.U.D. - Passed through the Florida Department of Community Affairs Community Development Block Grant	14.219	00DB-6M-03-22-01-G05	500,000	27,264	-	23,042	23,042	-
U.S. Department of Justice Office of Justice Programs Local Law Enforcement Block Grant	16.592	00-LB-BX-2616	74,435	-	-	74,435	16,230	58,205
Office of Community Oriented Policing Services COPS Universal Hiring Supplement Award	16.710	*97UMWX1083	825,333	621,733	-	203,600	203,600	-
Passed through the Department of Community Affairs Stop Violence Against Women	16.588	00-DV-FL-03-22-01-039	88,315	22,292	-	45,081	45,081	-
Multi-Jurisdictional Task Force Program	16.579	*00-CJ-D8-03-22-01-006	155,897	111,124	-	44,773	44,773	-
	16.579	*01-CJ-9M-03-22-01-013	123,506	-	-	99,972	99,972	-
Vest Partnership Grant	16.607	01-CJ-9M-03-22-01-013	5,972	-	-	5,972	5,972	-
			<u>1,273,458</u>	<u>755,149</u>	<u>-</u>	<u>473,833</u>	<u>415,628</u>	<u>58,205</u>
U.S. Department of Education - Passed Through Department of State Division of Library and Information Services Library Services and Technology Act Born to Read	84.002	00-LSTA-F-01	33,344	-	-	33,344	33,344	-
Federal Emergency Management Agency Passed through the Department of Community Affairs Emergency Management Grant	83.552	01-CP-04-03-22-01-012	15,052	-	-	15,052	15,052	-
State and local assistance	83.534	00-CP-05-03-22-01-012	34,374	-	-	34,374	34,374	-
	83.534	01-CP-04-03-22-01-012	97,375	-	-	58,341	58,341	-
			<u>146,801</u>	<u>-</u>	<u>-</u>	<u>107,767</u>	<u>107,767</u>	<u>-</u>
Total federal awards			<u>2,396,659</u>	<u>782,413</u>	<u>-</u>	<u>1,055,168</u>	<u>996,963</u>	<u>58,205</u>

(continued)

COLUMBIA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the Fiscal Year Ended September 30, 2001

Grantor/Program Title	CSFA#	Grant Number	Award Amount	Reported in Prior Years	Fund Balance October 1, 2000	2001		Fund Balance September 30, 2001
						* Revenue **Recognized	* **Expenditures	
<b>STATE FINANCIAL ASSISTANCE(continued)</b>								
Florida Department of Transportation								
County Incentive Grant Program Agreement	55.016	*406813-8-54-01	\$2,156,000	\$ -	\$ -	\$ 67,695	\$ 67,695	\$ -
Small County Road Assistance Program	55.016	*406813-1-58-01	806,300	-	-	630,155	630,155	-
Small County Road Assistance Program	55.016	*406813-3-58-01	145,200	-	-	145,200	145,200	-
			<u>3,107,500</u>	<u>-</u>	<u>-</u>	<u>843,050</u>	<u>843,050</u>	<u>-</u>
Total state financial assistance			<u>4,773,038</u>	<u>133,552</u>	<u>102,701</u>	<u>2,360,678</u>	<u>2,252,896</u>	<u>107,782</u>
Total all expenditures			<u>\$7,169,697</u>	<u>\$ 915,965</u>	<u>\$ 102,701</u>	<u>\$3,415,846</u>	<u>\$3,249,859</u>	<u>\$ 165,987</u>

\* Audited as a major program.  
 \*\*Modified accrual basis of accounting.



**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, 2001. Columbia County, Florida's major federal 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; and 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 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, 2001.

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

# COLUMBIA COUNTY, FLORIDA

## SCHEDULE OF FINDINGS

For the Fiscal Year Ended September 30, 2001

### Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness identified?	No
• Reportable condition identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

#### **Federal Awards**

Internal control over major programs:	
• Material weakness identified?	No
• Reportable condition identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	No

#### Identification of major programs:

CFDA Number  
16.579

Name of Federal Programs  
U.S. Department of Justice: Byrne  
Formula Grant-OBT Enhancement

16.710

U.S. Department of Justice: COPS  
Universal Hiring Supplement Award

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

#### Financial Statement Findings

None

#### Federal Award Findings and Questioned Costs

None

## MANAGEMENT LETTER

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

We have audited the financial statements of Columbia County, Florida, as of and for the year ended September 30, 2001, and have issued our report thereon dated August 16, 2002.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent Auditor's Report on Compliance and Internal Control over Financial Reporting, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major Federal Program and State Financial Assistance Project, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated August 16, 2002, 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

General ledger accounting system - During the course of our audits in the prior and current years, we encountered various situations where the Finance Office staff could not easily run various accounting reports required for the audit due to malfunctions in the computerized accounting system. Although all required information was eventually generated, there is no assurance that all problems with the current system have been fully corrected. We are aware of and fully support the Board's plan to replace its financial accounting system as soon as possible.

Fixed Assets Accounting System - Recent pronouncements by the Governmental Accounting Standards Board (GASB), with which the County must comply, require that governments must record depreciation on all fixed assets and record such depreciation in its applicable funds. This change became effective for the County in 2002. Due to the fact that the County currently has in excess of \$80 million in fixed assets, we recommend that proper procedures be developed to implement this major forthcoming requirement. In addition to establishing depreciable lives and methods for the various classes of fixed assets, clear guidelines should also be established as to classifying items as depreciable fixed assets.

From our review of the fixed asset accounting system in the current and prior years, we found that the computerized fixed asset accounting system was not capable of producing a report of assets disposed of during the year. Such a report is necessary to fully document asset dispositions and ending account balances.

**PROPERTY APPRAISER  
PRIOR YEAR FINDINGS**

All prior year findings were corrected during the current year.

**CURRENT YEAR FINDINGS**

There were no additional findings in the current year.

**SHERIFF  
PRIOR YEAR FINDINGS**

Payroll reporting - During our audit of payroll transactions in the prior and current years, we could not reconcile salary amounts reported on the quarterly Forms 941 and monthly State retirement reports with corresponding amounts in the general ledger. We found that this was partly due to the manner in which "special detail" revenues were recorded as credits to salary expenditures in the general ledger. To more fully account for payroll transactions, we recommended that a formal reconciliation between amounts reported on the payroll reports and the general ledger accounts be performed on at least a quarterly basis. "Special detail" receipts should also be recorded in a separate revenue account.

These recommendations were implemented in the ensuing year.

Individual depositors - From our audit of individual depositor transactions in the prior and current years, we found that the computerized accounting system for this operation did not provide a detail listing of individual account balances at month end which reconciled to the total funds held in this account. We also found that the employee who generally received individual depositor receipts also made entries in this accounting system.

In order to strengthen internal controls over this operation, we recommend that the computer software be appropriately modified so as to produce a detailed listing of the individual account balances on a periodic basis. We also recommend that an appropriate segregation of duties be instituted so that persons receiving cash are not performing the related accounting entries.

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

**CURRENT YEAR FINDINGS**

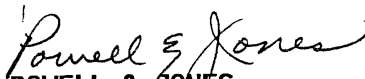
Duplicate vendor payments - From our audit sampling of various expenditure accounts, we found numerous instances where invoices were paid twice. In many instances staff were able to identify and void the duplicate payments prior to check mailing. However, some vendors were actually paid twice and most issued voluntary refunds or credits. We did however find one instance where a vendor was paid twice and apparently had not issued the Sheriff's Office a refund by the time of our audit. This instance was given to the Office staff for follow-up.

Upon investigation of this situation by the Finance Director, she found and enabled a control feature in the financial software to prompt the computer operator when an invoice being processed is subject to duplicate payment. We recommend that the Office review its vendor history ledger to identify any other duplicate payments that might still be due the Office. We also recommend that the Finance Director regularly monitor accounts payable runs for possible duplicate payments.

Inmate Trust deposits - From our audit of transactions relating to the Inmate Trust accounts, we found that the documentation retained to support deposits was

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(g)(6)c. and 10.556), 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.

**CONCLUSION** - We have reviewed each of our specific findings with the appropriate County officials or employees and have provided them with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this year's audit of the County. We appreciate the progress the Board and County Officers are making on improving the prior noted weaknesses and reaffirm our desire to assist in these endeavors. We also appreciated the continued helpful assistance of all County employees in completing this year's audit.

  
POWELL & JONES  
Certified Public Accountants  
August 16, 2002

# **COMPONENT UNIT FINANCIAL STATEMENTS**



STATE AUDITOR OF FLORIDA  
Central Building, Tallahassee

Richard C. Powell, Jr., CPA  
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## INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners  
Columbia County, Florida

We have audited the accompanying special purpose financial statements of the Columbia County Board of County Commissioners (the Board), as of and for the year ended September 30, 2001, as listed in the table of contents. These financial statements are the responsibility of the management of the Board. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, 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.

A detail report of general fixed asset deletions could not be produced for the year ended September 30, 2001. In the absence of such records, it was not practicable to determine the fairness of amounts reported. Accordingly, we do not express an opinion on the General Fixed Assets Account Group as of September 30, 2001.

The accompanying financial statements were prepared for the purpose of complying with state reporting requirements, as described in Note 1, and are intended to present the financial position and results of operations and cash flows of only that portion of the financial reporting entity of Columbia County, Florida, that is attributable to the transactions of the Board.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had detail general fixed asset deletion records been available, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Board of County Commissioners, as of September 30, 2001, and the results of its operations and cash flows of its proprietary fund type 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 August 16, 2002, on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

# **COMBINED FINANCIAL STATEMENTS**



**COLUMBIA COUNTY, FLORIDA**

BOARD OF COUNTY COMMISSIONERS

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 2001

<u>Capital Projects Funds</u>	<u>Proprietary Fund Type</u>  <u>Enterprise Fund</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
		<u>General Fixed Assets Group</u>	<u>General Long-term Debt Group</u>	
\$10,004,843	\$8,987,859	\$ -	\$ -	\$ 29,811,870
-	347,349	-	-	489,676
2,289,771	162,046	-	-	2,902,447
1,149,037	21,342	-	-	2,739,050
-	-	-	-	46,542
1,262,254	487,743	-	-	12,689,413
-	-	-	-	58,205
-	1,963,327	-	-	1,963,327
-	887,973	-	-	887,973
-	7,079,071	-	-	7,079,071
-	2,933,955	-	-	2,933,955
-	(6,799,162)	-	-	(6,799,162)
-	-	2,225,857	-	2,225,857
-	-	12,710,554	-	12,710,554
-	-	38,199,384	-	38,199,384
-	-	16,035,253	-	16,035,253
-	-	17,140,165	-	17,140,165
-	-	-	-	36,758
-	261,329	-	-	392,825
-	-	-	2,489,189	2,489,189
-	-	-	19,798,749	19,798,749
<u>\$14,705,905</u>	<u>\$16,332,832</u>	<u>\$ 86,311,213</u>	<u>\$ 22,287,938</u>	<u>\$163,831,101</u>
\$ 233,521	\$ 239,400	\$ -	\$ -	\$ 1,074,551
1,873,042	134,594	-	-	2,902,447
-	-	-	-	93,279
-	75,130	-	-	75,130
-	-	-	-	59,239
-	51,231	-	-	51,231
10,000	-	-	-	10,000
-	-	-	-	2,475
-	330,000	-	-	330,000
-	35,000	-	-	35,000

(continued)

**COLUMBIA COUNTY, FLORIDA**

BOARD OF COUNTY COMMISSIONERS

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 2001

<u>Capital Projects Funds</u>	<u>Proprietary Fund Type</u>  <u>Enterprise Fund</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
		<u>General Fixed Assets Group</u>	<u>General Long-term Debt Group</u>	
\$ -	\$ -	\$ -	\$ 1,019,168	\$ 1,019,168
-	-	-	1,451,993	1,451,993
-	-	-	18,743,500	18,743,500
-	4,330,000	-	1,073,277	5,403,277
-	2,621,071	-	-	2,621,071
<u>2,116,563</u>	<u>7,816,426</u>	<u>-</u>	<u>22,287,938</u>	<u>33,872,361</u>
-	506,174	-	-	506,174
12,589,342	-	-	-	35,131,121
-	8,010,232	-	-	8,010,232
-	-	86,311,213	-	86,311,213
<u>12,589,342</u>	<u>8,516,406</u>	<u>86,311,213</u>	<u>-</u>	<u>129,958,740</u>
<u>\$14,705,905</u>	<u>\$16,332,832</u>	<u>\$ 86,311,213</u>	<u>\$ 22,287,938</u>	<u>\$163,831,101</u>

# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS

### COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended September 30, 2001

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals (Memorandum Only)
<b>EXPENDITURES (continued)</b>					
Debt Service					
General government	\$ 309,726	\$ -	\$ -	\$ 1,689,911	\$ 1,999,637
Transportation	-	138,668	554,538	137,284	830,490
Economic environment	-	-	90,729	190,206	280,935
Total expenditures	<u>8,398,820</u>	<u>12,360,073</u>	<u>645,267</u>	<u>12,804,508</u>	<u>34,208,668</u>
Excess (deficiency) of revenues over expenditures	<u>10,089,346</u>	<u>1,555,967</u>	<u>698,600</u>	<u>(6,331,358)</u>	<u>6,012,555</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Debt proceeds	-	264,272	-	6,001,500	6,265,772
Interfund transfers in	-	-	-	5,433,695	5,433,695
Transfers from Sheriff	-	57,679	-	-	57,679
Interfund transfers out	(360,000)	(300,000)	(650,000)	(4,138,695)	(5,448,695)
Interfund transfers to County Officers	(9,405,425)	(905,232)	-	-	(10,310,657)
Total other financing sources (uses)	<u>(9,765,425)</u>	<u>(883,281)</u>	<u>(650,000)</u>	<u>7,296,500</u>	<u>(4,002,206)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>323,921</u>	<u>672,686</u>	<u>48,600</u>	<u>965,142</u>	<u>2,010,349</u>
Fund balances at beginning of year	8,973,050	10,082,933	2,440,589	11,624,200	33,120,772
Fund balances at end of year	<u>\$9,296,971</u>	<u>\$10,755,619</u>	<u>\$ 2,489,189</u>	<u>\$12,589,342</u>	<u>\$35,131,121</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**BOARD OF COUNTY COMMISSIONERS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL**

**GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND CAPITAL PROJECTS FUND TYPES**

For the Fiscal Year Ended September 30, 2001

Funds Variance Favorable (Unfavorable)	Debt Service Funds			Capital Projects Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 125,306	\$ 1,261,211	\$ 1,259,884	\$ (1,327)	\$ 1,476,885	\$ 1,278,088	\$ (198,797)
22,331	-	-	-	-	-	-
(421,664)	-	-	-	5,003,929	4,137,981	(865,948)
116,546	-	-	-	45,072	45,071	(1)
89,047	-	-	-	-	-	-
242,543	60,000	83,983	23,983	739,932	1,012,010	272,078
174,109	1,321,211	1,343,867	22,656	7,265,818	6,473,150	(792,668)
(126,455)	-	-	-	791,487	713,109	78,378
102,846	-	-	-	-	-	-
4,687	-	-	-	-	-	-
63,531	-	-	-	1,336,251	826,497	509,754
492,366	-	-	-	-	126,739	(126,739)
-	-	-	-	-	-	-
170,019	-	-	-	-	-	-
(27,921)	-	-	-	4,659,600	4,707,569	(47,969)
4,265	-	-	-	-	-	-
-	-	-	-	-	-	-
(219,760)	-	-	-	3,982,500	1,809,437	2,173,063
(1,050)	-	-	-	3,050,000	2,603,756	446,244
-	-	-	-	-	-	-
41,860	-	-	-	-	-	-
-	-	-	-	1,692,552	1,689,911	2,641
1,446	533,996	554,538	(20,542)	136,534	137,284	(750)
-	90,730	90,729	1	187,600	190,206	(2,606)
505,834	624,726	645,267	(20,541)	15,836,524	12,804,508	3,032,016
679,943	696,485	698,600	2,115	(8,570,706)	(6,331,358)	2,239,348
264,272	-	-	-	6,000,000	6,001,500	1,500
(38,250)	-	-	-	1,110,000	5,433,695	4,323,695
57,679	-	-	-	-	-	-
419,921	-	-	-	-	-	-
(300,000)	(650,000)	(650,000)	-	(15,000)	(4,138,695)	(4,123,695)
403,622	(650,000)	(650,000)	-	7,095,000	7,296,500	201,500
1,083,565	46,485	48,600	2,115	(1,475,706)	965,142	2,440,848
18,214	2,440,589	2,440,589	-	11,612,048	11,624,200	12,152
<u>\$ 1,101,779</u>	<u>\$ 2,487,074</u>	<u>\$ 2,489,189</u>	<u>\$ 2,115</u>	<u>\$10,136,342</u>	<u>\$12,589,342</u>	<u>\$ 2,453,000</u>

# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS

### LANDFILL ENTERPRISE FUND

#### COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

For the Fiscal Year Ended September 30, 2001

#### OPERATING EXPENSES (continued)

Recycling	
Personal services	
Regular salaries	\$ 48,901
FICA	3,815
Retirement	4,277
Life and health insurance	5,438
Worker's compensation	4,689
Total personal services	<u>67,120</u>
Operating expenses	
Insurance	8,000
Repair and maintenance	11,922
Operating supplies	4,960
Gas and oil	5,000
Total operating expenses	<u>29,882</u>
Total landfill recycling	<u>97,002</u>
Solid Waste Grants	
Operating expenses	
Other contractual services	<u>2,895</u>
Grants and aids	
City of Lake City	43,680
Waste tire recycling	22,805
Total grants and aids	<u>66,485</u>
Total solid waste grant	<u>69,380</u>
Total operating expenses	<u>2,520,699</u>
Operating income	<u>824,807</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
State grants	
Physical environment	
Small County grant	50,000
Recycling and education	95,143
Waste tire grant	21,285
Hazardous waste material grant	6,095
Interest earnings	
Interest on investments	563,173
Interest SBA	18,568
Landfill	
Debt service	
Interest	(253,461)
Other debt service costs	(17,889)
Bond issuance costs	(26,353)
Total nonoperating revenues (expenses)	<u>456,561</u>
Net income	1,281,368
Retained earnings, beginning of year	6,728,864
Retained earnings, end of year	<u>\$8,010,232</u>

See notes to financial statements. 2 - 11

**COLUMBIA COUNTY, FLORIDA**

**BOARD OF COUNTY COMMISSIONERS**

**LANDFILL ENTERPRISE FUND**

**COMBINED STATEMENT OF CASH FLOWS**

For the Fiscal Year Ended September 30, 2001

Reconciliation of Operating Income to Net  
Cash Provided by Operating Activities

Operating income	<u>\$ 824,807</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	997,290
(Increase) decrease in assets:	
Accounts receivable	167,881
Due from other governmental units	(14,891)
Increase in liabilities:	
Accounts payable	171,207
Accrued compensated absences	7,133
Increase in estimated closure liability	<u>394,716</u>
Total adjustments	<u>1,723,336</u>
Net cash provided by operating activities	<u>\$2,548,143</u>

See notes to financial statements.

# **COLUMBIA COUNTY, FLORIDA**

## **BOARD OF COUNTY COMMISSIONERS**

### **NOTES TO FINANCIAL STATEMENTS**

September 30, 2001

#### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Columbia County Board of County Commissioners have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

##### **A. Reporting Entity**

Columbia County, Florida (the "County") is a political subdivision of the State of Florida created under Section 1, Article VIII of the State Constitution. It is governed by an elected Board of County Commissioners (the "Board") which is governed by state statutes and regulations, and ordinances adopted by the Board. In addition, there are five Constitutional Officers who are separately elected, which include the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and the Supervisor of Elections. Pursuant to Florida Statutes, the Clerk of the Circuit Court for the County serves as clerk and accountant of the Board of County Commissioners. The Board currently has budgetary control, but not administrative control, over the activities for the other Constitutional Officers, some of whom have the authority and responsibility for collecting revenues within their areas of jurisdiction and remitting such collections to the Board.

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

The Board uses the criteria established in GASB No. 14 to define the reporting entity and identify component units. Component units are entities for which the Board is considered to be financially accountable.

As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the Board), (2) organizations for which the Board is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Board is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Board. The Board may be financially accountable if an organization is fiscally dependent on the Board regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, Board management examined all organizations in the Board's financial statements. management determined that there are no organizations that should be included in the Board's financial statements as component units, except as follows:

All proprietary funds, nonexpendable trust funds, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in the net total assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers most revenues as available if they are collected within sixty days after year end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, most intergovernmental revenues, special assessments, interest revenue, and charges for services. Fines, licenses and permits, and certain intergovernmental and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The Board reports deferred revenue, if applicable, on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

#### **D. Budgets**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all County funds. All annual appropriations lapse at fiscal year end. Project-length financial plans are also adopted for capital projects funds.

#### **E. Cash and Investments**

For financial statement purposes, cash includes amounts in demand deposits as well as short-term money market investment accounts.

Investments, consisting of investments in the Florida Local Government Surplus Funds Trust Fund, and Florida Counties Investment Trust Fund, and Nations Fund Government Money Market Fund are stated at cost which approximates market value. All such investments are secured as required by state law.

#### **F. Short-term Interfund Receivable/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables." Interfund eliminations have not been made in the financial statements.

#### **G. Prepaid Items**

Significant payments made to vendors for goods or services that will benefit periods beyond September 30, 2001, are recorded as prepaid items.



In the proprietary funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

#### **L. Long-term Obligations**

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

#### **M. Fund Equity**

Reserved fund balances represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

#### **N. Interfund Transactions**

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

#### **O. Memorandum Only - Total Columns**

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### **P. Estimates**

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

#### **Q. Proprietary Activity Accounting and Financial Reporting**

The County applies all applicable Government Accounting Standards (GASB) pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations. Accounting Principles Board (APB) opinion and Accounting Research Bulletins (ARB's).

#### **R. Restricted Assets**

The Landfill Fund is required by Florida law to establish and maintain prescribed amounts of resources (consisting of investments) that can only be used to pay for closure costs of its landfill.

- (a) The Local Government Surplus Funds Trust Fund;
- (b) Negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government at the prevailing market price for such securities;
- (c) Interest-bearing time deposits or savings accounts in banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state, in savings and loan associations which are under state supervision, or in federal savings and loan associations located in this state and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;
- (d) Obligations of the federal farm credit banks; the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates; or the Federal Home Loan Bank or its district banks or obligations guaranteed by the Government National Mortgage Association;
- (e) Obligations of the Federal National Mortgage Association, including Federal National Mortgage Association participation certificates and mortgage pass-through certificates guaranteed by the Federal National Mortgage Association; or
- (f) Securities of, or interest in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to United States Government obligations and to repurchase agreements fully collateralized by such United States Government obligations and provided such investment company takes delivery of such collateral either directly or through an authorized custodian.

At September 30, 2001, the Board's investments consisted of the following:

	Carrying Amount	Market Value	Category
*Local Government Surplus Funds Trust Fund	\$ 6,195,399	\$ 6,195,399	-
*Florida Local Government Investment Trust	1,963,327	1,963,327	-
Nations Fund Government Money Market	6,494,014	6,494,014	1
	<u>\$14,652,740</u>	<u>\$14,652,740</u>	

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

\*Investments in the State Pool cannot be classified in any credit risk category because the investments are not evidenced by identifiable securities that exist in physical or book entry form.

#### NOTE 5. RECEIVABLES

Receivables at September 30, 2001, consist of the following:

- B. Purchase of a motorgrader costing \$129,155. The terms of the agreement call for five annual payments of \$10,507 payable to John Deere Credit. The payments include interest at 5.983%, with a terminating payment of \$111,000 on October 1, 2005.
  - C. Purchase of a motorgrader costing \$135,117. The terms of the agreement call for five annual payments of \$11,247 payable to John Deere Credit. The payments include interest at 5.25% with a terminating payment of \$109,588 on June 1, 2006.
  - D. Purchase of a copier costing \$5,165. The terms of the agreement call for sixty monthly payments of \$113, including interest at 11.13%.
  - E. Purchase of a motor-grader costing \$166,137, for which an advance payment of \$16,837 was made. The terms of the agreement require four annual payments of \$16,837 with a terminating payment of \$118,000, including interest at 5.5%.
  - F. Purchase of four motor graders costing \$512,000. The terms of the agreement require a down payment of \$41,754 and four annual payments of \$41,754, including interest at 5%, beginning in May, 1998, and a balloon payment of \$411,200 at the end of sixty months. At that time, the Board may also exercise its option to have the vendor repurchase the equipment for \$411,200.
  - G. Purchase of a motor grader costing \$128,000. The terms of the agreement require a down payment of \$10,439 and four annual payments of \$10,439, including interest at 5%, beginning in May, 1998, and a balloon payment of \$102,800 at the end of sixty months. At that time the Board may also exercise its option to have the vendor repurchase the equipment for \$102,800.
  - H. Purchase of two motor graders costing \$256,000. The terms of the agreement require a down payment of \$20,877 and four annual payments of \$20,877, including interest at 5%, beginning in July, 1998, and a balloon payment of \$205,600 at the end of sixty months. At that time the Board may also exercise its option to have the vendor repurchase the equipment for \$205,600.
- Purchase of a land compactor costing \$223,493. The terms of the agreement require four annual payments of \$49,608, including interest at 5.5%. This lease was paid off in the current year.
- I. Purchase of three motor graders costing \$387,465. The terms of the agreement require 5 annual payments of \$27,006, including interest of 4.643% and a balloon payment of \$333,000 at the end of sixty months.
  - I-2. Purchase of voting system costing \$289,320. The terms of the agreement require 10 bi-annual payments of \$33,995, including interest of 6.09%. This lease was paid off in the current year.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 2001:

<u>September 30,</u>	
2002	\$ 241,183
2003	769,713
2004	48,987
2005	354,755
2006	220,588
Total minimum lease payments	<u>1,635,226</u>
Less: amount representing interest	<u>183,293</u>
Present value of future minimum lease payments	<u>\$1,451,993</u>

bonds are being repaid over a ten year period with an average interest rate of 4.65%. The debt is secured by the State Half-Cent Sales Tax revenue. Debt service is accounted for in the applicable debt service fund.

Debt service requirements to maturity including interest of \$466,228, are as follows:

Fiscal Year Ending September 30,	Amount
2002	\$ 1,429,888
2003	1,361,352
2004	1,292,402
2005	1,229,586
	<u>\$ 5,313,228</u>

- C. On the same date, the County closed on a Line of Credit Bond held by SunBank National Association in the amount of \$1,500,000. The interest rates and security are the same as the above Term Bond. Interest is payable on this line of credit quarterly with all outstanding principal due on January 1, 2001. The County has made no advances under this line of credit as of September 30, 2001.
- D. On April 15, 1996, the County also closed on a Revenue Term Bond in the amount of \$1,700,000. The proceeds were used to construct a manufacturing plant to be leased by the County to Homes of Merit. The bonds are being repaid over a period of eleven years with an average interest rate of 7.23%. The debt is secured by the State Half-Cent Sales Tax revenue. Debt service is accounted for in the applicable debt service fund and is being reimbursed by the tenant.

Debt service requirements to maturity, including interest of \$444,469, are as follows:

Fiscal Year Ending September 30,	Amount
2002	\$ 190,752
2003	189,807
2004	188,505
2005	190,987
2006	192,687
Thereafter	841,911
	<u>\$ 1,794,469</u>

- E. On February 23, 2000, the County also closed on a Revenue Term Bond in the amount of \$3,500,000. The purpose of this loan was to provide for infrastructure improvements to accommodate industrial development. The bonds are being repaid over a period of six years with an average interest rate of 5.36%. The debt is secured by the State Half-Cent Sales Tax revenue. Debt service is accounted for in the applicable debt service fund.

Debt service requirements to maturity, including interest of \$562,800, are as follows:

Fiscal Year Ending September 30,	Amount
2002	\$ 917,500
2003	390,700
2004	377,300
2005	1,093,800
2006	1,283,500
	<u>\$ 4,062,800</u>

#### **NOTE 10. CONTINGENT LIABILITIES**

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

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

#### **NOTE 11. PENSION PLAN**

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

**Funding Policy** - The System is employee noncontributory. The Board is required to contribute at an actuarially determined rate. The rates at September 30, 2001 were as follows: Regular Employees 7.30%; Special Risk Employees 18.44%; Senior Management 9.28%; Elected Officials 15.14%. The contribution requirements of plan members and the Board are established and may be amended by the Florida Legislature. The Board's contributions to the System for the years ending September 30, 2001, 2000 and 1999 were \$650,067, \$580,349, and \$543,726, respectively, equal to the required contributions for each year.

#### **NOTE 12. RENTAL COMMITMENTS - SUPERVISOR'S OFFICE**

The Board of County Commissioners is committed until January 31, 2002 and November 30, 2003, under leases for office space costing \$36,000 and \$200,000 respectively, per year.

#### **NOTE 13. RISK MANAGEMENT**

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

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

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

#### **NOTE 14. LANDFILL CLOSURE AND POSTCLOSURE COSTS**

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

# **COMBINING AND INDIVIDUAL FUND STATEMENTS**

# **GENERAL FUND**

# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS

### GENERAL FUND

### BALANCE SHEET

September 30, 2001

#### ASSETS

##### Current Assets

Cash	\$ 2,734,043
Accounts receivable	3,253
Due from other funds	197,053
Due from other governmental units	915,137
Investments	6,420,089
Prepaid expenses	58,205
Total assets	<u>\$10,327,780</u>

#### LIABILITIES AND FUND BALANCE

##### LIABILITIES

##### Current Liabilities

Accounts payable	\$ 321,108
Due to other funds	616,451
Due to Clerk of Courts	34,011
Accrued payroll deductions and matching	59,239
Total liabilities	<u>1,030,809</u>

##### FUND BALANCE

Undesignated fund balance	<u>9,296,971</u>
Total liabilities and fund balance	<u>\$10,327,780</u>

See notes to financial statements.



**COLUMBIA COUNTY, FLORIDA**

**BOARD OF COUNTY COMMISSIONERS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL**

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Charges for services			
General government			
Court facilities filing fees	\$ -	\$ 38,869	\$ 38,869
Certification, copying, record research	800	160	(640)
County officers fees			
Sheriff	90,000	56,681	(33,319)
Clerk of Circuit Court	-	739	739
Clerk of County Court	15,000	-	(15,000)
Tax Collector	114,380	21,726	(92,654)
Administrative charges	409,000	397,478	(11,522)
Other general government charges	7,058	465	(6,593)
Public safety			
Police services			
School resource officer	104,500	104,066	(434)
Human services			
Animal control and shelter fee	500	61	(439)
Culture and recreation			
Libraries			
Library fees Lake City	2,500	-	(2,500)
Other charges for services			
Telephone services	<u>18,000</u>	<u>15,663</u>	<u>(2,337)</u>
Total charges for services	<u>761,738</u>	<u>635,908</u>	<u>(125,830)</u>
Fines and Forfeitures			
Court cases			
Recovery court attorney	50,000	79,159	29,159
Library fines			
Lake City	22,000	29,076	7,076
Fort White	<u>1,800</u>	<u>1,417</u>	<u>(383)</u>
Total fines and forfeitures	<u>73,800</u>	<u>109,652</u>	<u>35,852</u>
Miscellaneous			
Interest earnings			
Interest on investments	435,000	382,934	(52,066)
Interest SBA	10,000	93,710	83,710
Interest County officers			
Tax Collector	20,000	21,816	1,816
Sheriff	10,000	-	(10,000)
Restitution interest	-	64	64

(continued)

# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS

### GENERAL FUND

#### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Circuit Court			
Personal services	\$ 33,741	\$ 33,413	\$ 328
Operating expenses	112,550	111,880	670
Capital outlay	<u>18,800</u>	<u>18,754</u>	<u>46</u>
Total Circuit Court	<u>165,091</u>	<u>164,047</u>	<u>1,044</u>
County Court			
Personal services	18,814	18,633	181
Operating expenses	<u>9,700</u>	<u>9,342</u>	<u>358</u>
Total County Court	<u>28,514</u>	<u>27,975</u>	<u>539</u>
State Attorney			
Operating expenses	<u>35,917</u>	<u>35,238</u>	<u>679</u>
Public Defender			
Operating expenses	<u>92,000</u>	<u>91,754</u>	<u>246</u>
Court reporting			
Operating expenses	<u>85,256</u>	<u>61,127</u>	<u>24,129</u>
County mediation			
Operating expenses	<u>1,500</u>	<u>1,433</u>	<u>67</u>
Columbia County Court support			
Operating expenses	<u>8,576</u>	<u>8,576</u>	<u>-</u>
Other Judicial			
Operating expenses	<u>163,190</u>	<u>159,035</u>	<u>4,155</u>
Melton building			
Operating expenses	<u>1,496</u>	<u>1,496</u>	<u>-</u>
Other general government			
Operating expenses	7,300	7,299	1
Capital outlay	<u>-</u>	<u>215,754</u>	<u>(215,754)</u>
Total other general government	<u>7,300</u>	<u>223,053</u>	<u>(215,753)</u>
Supervisor of Elections			
Personal services	<u>818</u>	<u>818</u>	<u>-</u>
Elections			
Capital outlay	3,577	3,577	-
Debt service	<u>309,726</u>	<u>309,726</u>	<u>-</u>
Total elections	<u>313,303</u>	<u>313,303</u>	<u>-</u>
Non-departmental			
Personal services	2,600	2,565	35
Operating expenses	405,800	404,446	1,354
Capital outlay	<u>631</u>	<u>631</u>	<u>-</u>
Total non-departmental	<u>409,031</u>	<u>407,642</u>	<u>1,389</u>

(continued)

# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS

### GENERAL FUND

#### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Safety program			
Personal services	\$ 50,648	\$ 50,362	\$ 286
Operating expenses	<u>18,300</u>	<u>17,836</u>	<u>464</u>
Total safety program	<u>68,948</u>	<u>68,198</u>	<u>750</u>
Emergency management specialist			
Personal services	52,540	52,295	245
Operating expenses	21,327	20,955	372
Capital outlay	<u>22,681</u>	<u>22,617</u>	<u>64</u>
Total emergency management specialist	<u>96,548</u>	<u>95,867</u>	<u>681</u>
Total public safety	<u>776,703</u>	<u>761,417</u>	<u>15,286</u>
Physical environment			
Conservation and resource management			
Personal services	138,515	136,321	2,194
Operating expenses	54,763	53,750	1,013
Capital outlay	<u>2,400</u>	<u>2,332</u>	<u>68</u>
Total conservation and resource management	<u>195,678</u>	<u>192,403</u>	<u>3,275</u>
Santa Fe Soil Grants and aids	<u>7,446</u>	<u>7,446</u>	<u>-</u>
Florida forest management Grants and aids	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Aquatic weed/Alligator Lake Operating expenses	<u>275,500</u>	<u>168,155</u>	<u>107,345</u>
Florida boating improvement Operating expenses	<u>50,881</u>	<u>20,340</u>	<u>30,541</u>
Marine litter and debris Operating expenses	<u>10,000</u>	<u>7,134</u>	<u>2,866</u>
Landscaping			
Personal services	42,285	42,030	255
Operating expenses	8,077	7,542	535
Capital outlay	<u>1,223</u>	<u>1,222</u>	<u>1</u>
Total landscaping	<u>51,585</u>	<u>50,794</u>	<u>791</u>
Total physical environment	<u>594,090</u>	<u>449,272</u>	<u>144,818</u>
Economic environment			
Industry development Grants and aids	<u>5,000</u>	<u>5,000</u>	<u>-</u>

(continued)

# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS

### GENERAL FUND

#### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Culture/recreation			
Born to Read			
Operating expenses	\$ 1,400	\$ -	\$ 1,400
Capital outlay	300	256	44
Total Born to Read	<u>1,700</u>	<u>256</u>	<u>1,444</u>
Columbia County Library			
Personal services	376,641	368,915	7,726
Operating expenses	81,700	78,412	3,288
Capital outlay	61,914	56,037	5,877
Total Columbia County library	<u>520,255</u>	<u>503,364</u>	<u>16,891</u>
Fort White Library			
Personal services	47,837	43,079	4,758
Operating expenses	9,550	8,172	1,378
Capital outlay	19,250	16,727	2,523
Total Fort White Library	<u>76,637</u>	<u>67,978</u>	<u>8,659</u>
Detention Center Library			
Personal services	7,488	6,211	1,277
Operating expenses	350	227	123
Total Detention Center Library	<u>7,838</u>	<u>6,438</u>	<u>1,400</u>
Library janitorial			
Personal services	<u>36,065</u>	<u>35,305</u>	<u>760</u>
Parks and recreation			
Operating expenses	43,238	44,433	(1,195)
Grants and aids	342,333	295,676	46,657
Total parks and recreation	<u>385,571</u>	<u>340,109</u>	<u>45,462</u>
Special events			
Grants and aids	<u>13,000</u>	<u>13,000</u>	<u>-</u>
Special community facilities			
Operating expenses	400	390	10
Capital outlay	11,700	11,319	381
Grants and aids	527,750	525,749	2,001
Total special community facilities	<u>539,850</u>	<u>537,458</u>	<u>2,392</u>
Total culture/recreation	<u>1,580,916</u>	<u>1,503,908</u>	<u>77,008</u>
Total expenditures	<u>8,801,467</u>	<u>8,398,820</u>	<u>402,647</u>
Excess (deficiency) of revenues over expenditures	<u>9,481,361</u>	<u>10,089,346</u>	<u>607,985</u>

(continued)

# **SPECIAL REVENUE FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**BOARD OF COUNTY COMMISSIONERS**

**SPECIAL REVENUE FUNDS**

**COMBINING BALANCE SHEET**

September 30, 2001

<u>Industrial Development Authority</u>	<u>Law Enforcement Special</u>	<u>Law Library</u>	<u>Library Enhancement</u>	<u>Local Housing Assistance</u>	<u>Municipal Services Benefit Unit</u>	<u>Municipal Services Special District</u>	<u>Tourist Development Tax</u>	<u>Totals</u>
\$155,571	\$ 20,707	\$ 6,937	\$ 104,268	\$ 477,840	\$1,713,828	\$1,068,345	\$ 131,614	\$ 6,884,587
337	-	-	-	-	4,540	133,738	-	139,074
-	-	-	-	-	155,972	69,450	-	253,577
-	-	470	-	-	134,286	52,273	-	438,598
-	-	-	-	-	-	-	-	46,542
-	1,166	-	1,110,477	34,024	17,004	1,138,877	-	3,613,866
<u>\$155,908</u>	<u>\$ 21,873</u>	<u>\$ 7,407</u>	<u>\$1,214,745</u>	<u>\$ 511,864</u>	<u>\$2,025,630</u>	<u>\$2,462,683</u>	<u>\$ 131,614</u>	<u>\$11,376,244</u>
\$ -	\$ -	\$ 332	\$ 1,613	\$ -	\$ 2,278	\$ 99,583	\$ 809	\$ 280,522
-	-	-	-	-	162,046	66,007	-	278,360
-	-	-	-	-	23,866	35,402	-	59,268
-	-	-	-	-	-	2,475	-	2,475
<u>-</u>	<u>-</u>	<u>332</u>	<u>1,613</u>	<u>-</u>	<u>188,190</u>	<u>203,467</u>	<u>809</u>	<u>620,625</u>
<u>155,908</u>	<u>21,873</u>	<u>7,075</u>	<u>1,213,132</u>	<u>511,864</u>	<u>1,837,440</u>	<u>2,259,216</u>	<u>130,805</u>	<u>10,755,619</u>
<u>155,908</u>	<u>21,873</u>	<u>7,075</u>	<u>1,213,132</u>	<u>511,864</u>	<u>1,837,440</u>	<u>2,259,216</u>	<u>130,805</u>	<u>10,755,619</u>
<u>\$155,908</u>	<u>\$ 21,873</u>	<u>\$ 7,407</u>	<u>\$1,214,745</u>	<u>\$ 511,864</u>	<u>\$2,025,630</u>	<u>\$2,462,683</u>	<u>\$ 131,614</u>	<u>\$11,376,244</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**BOARD OF COUNTY COMMISSIONERS**

**SPECIAL REVENUE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

For the Fiscal Year Ended September 30, 2001

Industrial Development Authority	Law Enforcement Special	Law Library	Library Enhancement	Local Housing Assistance	Municipal Services Benefit Unit	Municipal Services Special District	Tourist Development Tax	Totals
\$171,940	\$ -	\$ -	\$ -	\$ -	\$ 250,386	\$ -	\$ 200,000	\$ 2,357,780
250	-	-	483,191	508,774	315,831	-	-	315,831
-	-	6,081	-	-	16,910	770,570	18,450	4,168,851
-	522	-	-	-	-	900,225	-	960,126
6,926	795	-	56,740	2,474	2,777,660	-	106,340	887,047
<u>179,116</u>	<u>1,317</u>	<u>6,081</u>	<u>539,931</u>	<u>511,248</u>	<u>3,360,787</u>	<u>3,469,158</u>	<u>324,790</u>	<u>13,916,040</u>
-	-	6,351	-	-	113,373	192,472	-	563,409
-	-	-	-	-	521,138	2,807,702	-	3,345,840
-	-	-	-	-	2,380,313	-	-	2,380,313
-	-	-	-	-	-	-	-	3,080,960
132,124	-	-	-	455,684	-	-	307,854	936,918
-	-	-	328,816	-	139,584	-	-	468,400
-	-	-	-	-	-	-	-	34,575
-	-	-	-	-	15,463	429,344	-	444,807
-	-	-	-	-	-	-	-	922,307
-	-	-	-	-	-	-	1,450	1,450
-	-	-	42,426	-	-	-	-	42,426
-	-	-	-	-	-	-	-	138,668
<u>132,124</u>	<u>-</u>	<u>6,351</u>	<u>371,242</u>	<u>455,684</u>	<u>3,169,871</u>	<u>3,429,518</u>	<u>309,304</u>	<u>12,360,073</u>
46,992	1,317	(270)	168,689	55,564	190,916	39,640	15,486	1,555,967
-	57,679	-	-	-	-	-	-	57,679
-	-	-	-	-	-	-	-	264,272
-	-	-	-	-	(300,000)	-	-	(300,000)
-	(49,703)	-	-	-	(42,553)	(26,376)	-	(68,929)
-	-	-	-	-	-	-	-	(836,303)
-	<u>7,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(342,553)</u>	<u>(26,376)</u>	<u>-</u>	<u>(883,281)</u>
46,992	9,293	(270)	168,689	55,564	(151,637)	13,264	15,486	672,686
108,916	12,580	7,345	1,044,443	456,300	1,989,077	2,245,952	115,319	10,082,933
<u>\$155,908</u>	<u>\$ 21,873</u>	<u>\$ 7,075</u>	<u>\$1,213,132</u>	<u>\$ 511,864</u>	<u>\$1,837,440</u>	<u>\$2,259,216</u>	<u>\$ 130,805</u>	<u>\$10,755,619</u>

# **DEBT SERVICE FUNDS**



# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS

### DEBT SERVICE FUNDS

#### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2001

	<u>1993 Debt Service</u>	<u>Tourist Development Debt Service</u>	<u>Totals</u>
<b>REVENUES</b>			
Taxes	\$ 1,178,424	\$ 81,460	\$ 1,259,884
Miscellaneous	74,214	9,769	83,983
Total revenues	<u>1,252,638</u>	<u>91,229</u>	<u>1,343,867</u>
<b>EXPENDITURES</b>			
Debt Service			
Transportation	554,538	-	554,538
Economic environment	-	90,729	90,729
Total expenditures	<u>554,538</u>	<u>90,729</u>	<u>645,267</u>
Excess (deficiency) of revenues over expenditures	<u>698,100</u>	<u>500</u>	<u>698,600</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund transfers out	<u>(650,000)</u>	<u>-</u>	<u>(650,000)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	48,100	500	48,600
Fund balances at beginning of year	2,230,087	210,502	2,440,589
Fund balances at end of year	<u>\$ 2,278,187</u>	<u>\$ 211,002</u>	<u>\$ 2,489,189</u>

See notes to financial statements.

# **CAPITAL PROJECTS FUNDS**

# COLUMBIA COUNTY, FLORIDA

## BOARD OF COUNTY COMMISSIONERS CAPITAL PROJECTS FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2001

	Fifth and Sixth Cent Fuel Tax Trust	Road Improvement	Economic Development	Connector Road Project	Courthouse Renovation	Totals
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ 1,278,088	\$ -	\$ 1,278,088
Intergovernmental revenue	500,000	938,050	-	-	2,699,931	4,137,981
Charges for services	-	-	-	-	45,071	45,071
Miscellaneous	<u>15,268</u>	<u>160,675</u>	<u>291,639</u>	<u>245,049</u>	<u>299,380</u>	<u>1,012,011</u>
Total revenues	<u>515,268</u>	<u>1,098,725</u>	<u>291,639</u>	<u>1,523,137</u>	<u>3,044,382</u>	<u>6,473,151</u>
<b>EXPENDITURES</b>						
Current Expenditures						
General government	-	-	625	-	712,484	713,109
Transportation	683,791	13,479	-	129,227	-	826,497
Economic environment	-	-	126,739	-	-	126,739
Capital Outlay						
General government	-	-	-	-	4,707,569	4,707,569
Transportation	-	1,603,968	-	205,469	-	1,809,437
Economic environment	-	-	2,603,756	-	-	2,603,756
Debt Service						
General government	-	-	191,784	-	1,498,127	1,689,911
Transportation	-	-	-	137,284	-	137,284
Economic environment	-	-	190,206	-	-	190,206
Total expenditures	<u>683,791</u>	<u>1,617,447</u>	<u>3,113,110</u>	<u>471,980</u>	<u>6,918,180</u>	<u>12,804,508</u>
Excess (deficiency) of revenues over expenditures	<u>(168,523)</u>	<u>(518,722)</u>	<u>(2,821,471)</u>	<u>1,051,157</u>	<u>(3,873,798)</u>	<u>(6,331,357)</u>

(continued)

# **COMPLIANCE SECTION**

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


To the Board of County Commissioners  
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Board of County Commissioners, as of and for the year ended September 30, 2001, and have issued our report thereon dated August 16, 2002. 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.

Compliance - As part of obtaining reasonable assurance about whether the Columbia County Board of County Commissioners' 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 these 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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Columbia County Board of County Commissioners in a separate letter dated August 16, 2002, on pages 2-48 - 2-50.

Internal Control Over Financial Reporting - In planning and performing our audit, we considered the Columbia County Board of County Commissioners' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the Columbia County Board of County Commissioners in a separate letter dated August 16, 2002, on pages 2-48 - 2-50.

This report is intended solely for the information and use of management, the Board of County Commissioners, the Clerk of the Circuit Court of Columbia County, 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.

  
POWELL & JONES  
August 16, 2002

## MANAGEMENT LETTER

To the Board of County Commissioners  
Columbia County, Florida

We have audited the financial statements of the Columbia County Board of County Commissioners (the Board), as of and for the year ended September 30, 2001, and have issued our report thereon dated August 16, 2002. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

### IMMATERIAL INTERNAL CONTROL AND COMPLIANCE FINDINGS

#### PRIOR YEAR FINDINGS

General ledger accounting system - During the course of our audits in the prior and current years, we encountered various situations where the Finance Office staff could not easily run various accounting reports required for the audit due to malfunctions in the computerized accounting system. Although all required information was eventually generated, there is no assurance that all problems with the current system have been fully corrected. We are aware of and fully support the Board's plan to replace its financial accounting system as soon as possible.

Fixed Assets Accounting System - Recent pronouncements by the Governmental Accounting Standards Board (GASB), with which the County must comply, require that governments must record depreciation on all fixed assets and record such depreciation in its applicable funds. This change became effective for the County in 2001. Due to the fact that the County currently has in excess of \$80 million in fixed assets, we recommend that proper procedures be developed to implement this major forthcoming requirement. In addition to establishing depreciable lives and methods for the various classes of fixed assets, clear guidelines should also be established as to classifying items as depreciable fixed assets.

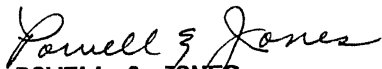
From our review of the fixed asset accounting system in the current and prior years, we found that the computerized fixed asset accounting system was not capable of producing a report of assets disposed of during the year. Such a report is necessary to fully document asset dispositions and ending account balances.

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

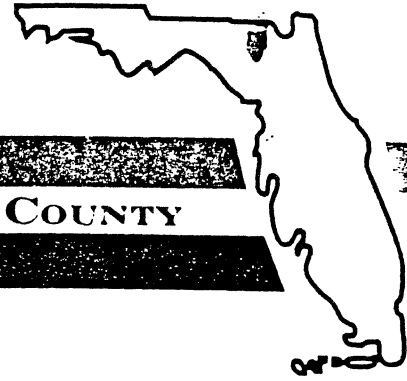
Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(g)(6)(c). and 10.556), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.544(1)(f).

**CONCLUSION** - We have reviewed each of our specific findings with the appropriate County officials or employees and have provided them with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this year's audit of the County. We appreciate the progress the Board and County Officers are making on improving the prior noted weaknesses and reaffirm our desire to assist in these endeavors. We also appreciated the continued helpful assistance of all County employees in completing this year's audit.

  
POWELL & JONES  
Certified Public Accountants  
August 16, 2002

District No. 1 - Ronald Williams  
District No. 2 - Dewey Weaver  
District No. 3 - George A. Skinner  
District No. 4 - Kenneth E. Witt  
District No. 5 - James Montgomery



**BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY**

October 17, 2002

Mr. Charles L. Lester  
Auditor General  
State of Florida  
Post Office Box 1735  
Tallahassee, Florida 32302

RE: Response to Compliance Findings  
Financial Report Ending September 30, 2001  
Columbia County, Florida

Dear Mr. Lester:

Prior year findings including the general ledger accounting system and the fixed assets accounting system can only be corrected with the purchase of new software systems. Funds have been allocated for this purpose. Request for proposals have been issued, responses received and rankings established. Negotiations are currently in progress.

Current Year Findings:

Landfill Receipts – a procedure will be developed which reconciles scale transaction numbers with actual cash deposits.

Travel – the county has requested that the District Court Administrator seek reimbursement for travel vouchers paid.

Building and Zoning Receipts – mid year non ad-valorem assessments will be documented on mobile home permits. Land use application fees will be included in the log book as requested.

Sincerely,

Dale Williams  
County Coordinator

DW/cnb

XC: Board of County Commissioners  
Richard Powell, CPA, External Auditor  
Judy Lewis, Internal Auditor  
P. DeWitt Cason, Clerk of Courts

BOARD MEETS FIRST THURSDAY AT 7 00 P.M.  
AND THIRD THURSDAY AT 7 00 P.M.





POWELL & JONES  
CERTIFIED PUBLIC ACCOUNTANTS

Richard G. Powell, CPA  
Marian Jones Powell, CPA

350 S.W. Main Blvd.  
Gainesville, Florida 32602  
352/775-4700  
352/771-1554

### INDEPENDENT AUDITOR'S REPORT

Honorable Clerk of the Circuit Court  
Columbia County, Florida

We have audited the accompanying special purpose financial statements of the Columbia County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2001, as listed in the table of contents. These special purpose financial statements are the responsibility of the Clerk of the Circuit Court. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 special purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special purpose 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.

The accompanying financial statements were prepared for the purpose of complying with state reporting requirements, as described in Note 1, and are intended to present the financial position and results of operations of only that portion of the financial reporting entity of Columbia County, Florida, that is attributable to the transactions of the Clerk of the Circuit Court.

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Clerk of the Circuit Court, as of September 30, 2001, and the results of its operations 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 June 20, 2002, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and our tests on its compliance with certain provisions of laws, regulations, contracts and grants. This 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.

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

*Powell & Jones*  
POWELL & JONES  
June 20, 2002

# **COMBINED FINANCIAL STATEMENTS**

# COLUMBIA COUNTY, FLORIDA

## CLERK OF THE CIRCUIT COURT

### COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended September 30, 2001

	General Fund	Special Revenue Funds	Totals (Memorandum Only)
<b>REVENUES</b>			
Intergovernmental revenue	\$ 73,547	\$ -	\$ 73,547
Charges for services	843,913	67,378	911,291
Miscellaneous	<u>33,791</u>	<u>-</u>	<u>33,791</u>
Total revenues	<u>951,251</u>	<u>67,378</u>	<u>1,018,629</u>
<b>EXPENDITURES</b>			
Current expenditures			
General government	1,493,931	48,330	1,542,261
Capital outlay			
General government	<u>128,071</u>	<u>22,173</u>	<u>150,244</u>
Total expenditures	<u>1,622,002</u>	<u>70,503</u>	<u>1,692,505</u>
Excess (deficiency) of revenues over expenditures	<u>(670,751)</u>	<u>(3,125)</u>	<u>(673,876)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in from Board of County Commissioners	<u>670,751</u>	<u>-</u>	<u>670,751</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	(3,125)	(3,125)
Fund balances at beginning of year	-	53,361	53,361
Fund balances at end of year	<u>\$ -</u>	<u>\$ 50,236</u>	<u>\$ 50,236</u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## CLERK OF THE CIRCUIT COURT

### COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended September 30, 2001

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>OTHER FINANCING SOURCES</b>						
Transfers in from Board of County Commissioners	\$ 670,751	\$ 670,751	\$ -	\$ -	\$ -	\$ -
 Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-	(3,125)	(3,125)	-
 Fund balances at beginning of year	-	-	-	53,361	53,361	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 50,236	\$ 50,236	\$ -

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## CLERK OF THE CIRCUIT COURT

### NOTES TO FINANCIAL STATEMENTS

September 30, 2001

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

(i) **Governmental Fund**

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

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2001, the Clerk maintained the following Special Revenue Funds:

Public Records Modernization Trust Fund  
Teen Court Fund

## **F. Inventories**

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

## **G. Property, Plant and Equipment**

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

## **H. Compensated Absences**

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

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

## **I. Total Column on the Combined Statements**

The total column on the combined statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

## **J. Estimates**

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

## **K. Risk Management**

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

# **COMBINING STATEMENTS**

# **GENERAL FUND**



# COLUMBIA COUNTY, FLORIDA

## CLERK OF THE CIRCUIT COURT

### GENERAL FUND

#### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Intergovernmental revenue			
Federal grants			
Human services			
Other human services grants	\$ 73,547	\$ 73,547	\$ -
Charges for services			
General government			
Recording of legal instruments			
Recording fees user	182,856	182,856	-
Recording inter-governmental	55,112	55,112	-
Certification, copying,			
record search			
Certify copy seal	40,103	40,103	-
Copies inter-governmental	74,058	74,058	-
Circuit Court fees			
Appeals filed inter-			
governmental	23,856	23,856	-
Juvenile cases filed	26,280	26,280	-
Prepare court orders	29,385	29,385	-
Exhibit files	644	644	-
Civil filing	42,528	42,528	-
Other government charges	15,521	15,521	-
Certified mail user	135	135	-
Certified mail inter-			
governmental	3,714	3,714	-
Miscellaneous	14,242	14,242	-
Court attendance	51,450	51,450	-
Registry of Court service			
charges	5,160	5,160	-
Marriage licenses	15,302	15,302	-
Dissolution of marriage	701	701	-
Filing fees civil	59,180	59,180	-
Filing fees criminal	43,179	43,179	-
Juror and witness payrolls	1,027	1,027	-
Court minutes	43,700	43,700	-
Support payments	8,754	8,754	-
Probate charges	13,469	13,469	-

(continued)

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL**

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from Board of County Commissioners	<u>\$ 670,751</u>	<u>\$ 670,751</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to financial statements.

# **SPECIAL REVENUE FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**CLERK OF THE CIRCUIT COURT**

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2001

	<u>Public Records Modernization Fund</u>	<u>Teen Court Fund</u>	<u>Totals</u>
<b>REVENUES</b>			
Charges for services			
General government			
Recording of legal instruments	\$ 36,700	\$ -	\$ 36,700
County Officers fees	-	30,678	30,678
Total revenues	<u>36,700</u>	<u>30,678</u>	<u>67,378</u>
<b>EXPENDITURES</b>			
General government			
Financial and administrative			
Operating expenses	12,277	-	12,277
Capital outlay	<u>22,173</u>	-	<u>22,173</u>
Total financial and administrative	<u>34,450</u>	-	<u>34,450</u>
Judicial			
Operating expenses	-	36,053	36,053
Total expenditures	<u>34,450</u>	<u>36,053</u>	<u>70,503</u>
Excess of revenues over expenditures	2,250	(5,375)	(3,125)
Fund balances at beginning of year	42,615	10,746	53,361
Fund balances at end of year	<u>\$ 44,865</u>	<u>\$ 5,371</u>	<u>\$ 50,236</u>

See notes to financial statements.

# **AGENCY FUNDS**

# COLUMBIA COUNTY, FLORIDA

## CLERK OF THE CIRCUIT COURT

### AGENCY FUNDS

#### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2001

	<u>Balance</u> <u>Oct. 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Sept. 30, 2001</u>
<b>DOMESTIC RELATIONS FUND</b>				
<b>Assets</b>				
Cash	\$ 2,832	\$ 62,437	\$ 55,614	\$ 9,655
Dishonored checks receivable	2,242	-	2,242	-
Due from other funds	10,064	5,310	10,064	5,310
Total assets	<u>\$ 15,138</u>	<u>\$ 67,747</u>	<u>\$ 67,920</u>	<u>\$ 14,965</u>
<b>Liabilities</b>				
Due to other governmental units	\$ 11,670	\$ 65,527	\$ 63,118	\$ 14,079
Due to other funds	3,468	2,221	4,803	886
Total liabilities	<u>\$ 15,138</u>	<u>\$ 67,748</u>	<u>\$ 67,921</u>	<u>\$ 14,965</u>
<b>JURY AND WITNESS FUND</b>				
<b>Assets</b>				
Cash	\$ 441	\$ 21,348	\$ 19,560	\$ 2,229
<b>Liabilities</b>				
Due to other governmental units	\$ 441	\$ 21,348	\$ 19,560	\$ 2,229
<b>PUBLIC DEFENDER OCCUPANCY TRUST FUND</b>				
<b>Assets</b>				
Cash	\$ 5,506	\$ 93,381	\$ 85,164	\$ 13,723
Due from other governmental units	8,181	6,439	8,181	6,439
Total assets	<u>\$ 13,687</u>	<u>\$ 99,820</u>	<u>\$ 93,345</u>	<u>\$ 20,162</u>
<b>Liabilities</b>				
Due to other funds	\$ 84	\$ 115	\$ 84	\$ 115
Due to Public Defender	13,603	93,382	86,938	20,047
Total liabilities	<u>\$ 13,687</u>	<u>\$ 93,497</u>	<u>\$ 87,022</u>	<u>\$ 20,162</u>
<b>REGISTRY OF COURT FUND</b>				
<b>Assets</b>				
Cash	\$ 219,572	\$ 653,950	\$ 814,280	\$ 59,242
<b>Liabilities</b>				
Due to other funds	\$ 286	\$ 119	\$ 286	\$ 119
Deposits held in escrow	203,259	652,756	813,995	42,020
Interest payable	16,027	1,195	119	17,103
Total liabilities	<u>\$ 219,572</u>	<u>\$ 654,070</u>	<u>\$ 814,400</u>	<u>\$ 59,242</u>

(continued)

# COLUMBIA COUNTY, FLORIDA

## CLERK OF THE CIRCUIT COURT

### AGENCY FUNDS

#### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2001

	Balance Oct. 1, 2000	<u>Additions</u>	<u>Deductions</u>	Balance Sept. 30, 2001
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$1,005,262	\$ 6,390,725	\$ 6,693,584	\$ 702,403
Dishonored checks receivable	6,846	5,286	7,474	4,658
Due from other funds	10,064	5,310	10,064	5,310
Due from other governmental units	8,181	6,439	8,181	6,439
<b>Total assets</b>	<u>\$1,030,353</u>	<u>\$ 6,407,760</u>	<u>\$ 6,719,303</u>	<u>\$ 718,810</u>
<b>Liabilities</b>				
Court fees payable	\$ 151,419	\$ 455,893	\$ 462,014	\$ 145,298
Deposits held in escrow	203,259	652,756	813,995	42,020
Due to other funds	49,860	516,154	520,230	45,784
Due to other governmental units	520,667	4,567,828	4,712,267	376,228
Due to Public Defender	13,603	93,382	86,938	20,047
Interest payable	16,027	1,195	119	17,103
Juvenile installments	68	15,137	15,137	68
Suspense liability	32,345	17,884	26,386	23,843
Tax deeds sales	34,637	38,811	52,427	21,021
Retirement funds payable	1,150	29	-	1,179
Installments payable	7,318	-	-	7,318
Other current liabilities	-	18,901	-	18,901
<b>Total liabilities</b>	<u>\$1,030,353</u>	<u>\$ 6,377,970</u>	<u>\$ 6,689,513</u>	<u>\$ 718,810</u>

See notes to financial statements.

# **COMPLIANCE SECTION**



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

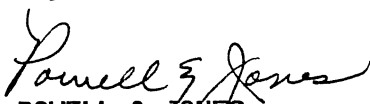
To the Clerk of the Circuit Court  
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Clerk of the Circuit Court, as of and for the year ended September 30, 2001, and have issued our report thereon dated June 20, 2002. 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.

Compliance - As part of obtaining reasonable assurance about whether the Columbia County Clerk of the Circuit Court'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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Columbia County Clerk of the Circuit Court in a separate letter dated June 20, 2002, on pages 3-20 - 3-21.

Internal Control Over Financial Reporting - In planning and performing our audit, we considered the Columbia County Clerk of the Circuit Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses.

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

  
POWELL & JONES  
June 20, 2002

## MANAGEMENT LETTER

Honorable Clerk of the Circuit Court  
Columbia County, Florida

We have audited the financial statements of the Columbia County Clerk of the Circuit Court, as of and for the year ended September 30, 2001, and have issued our report thereon dated June 20, 2002. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

### PRIOR YEAR FINDINGS

Travel - From our audit of travel expense reimbursements in the prior and current years, we found minor instances where travel vouchers did not indicate times of departure and return. To properly document meal allowances paid for out-of-area travel, times of departure and return should be included on all travel vouchers.

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

### CURRENT YEAR FINDINGS

There were no additional reportable findings in the current year.

### AUDITOR GENERAL COMPLIANCE MATTERS

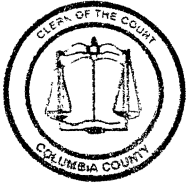
Annual Report of Units of Local Government - The financial report filed with the Department of Banking and Finance pursuant to Section 218.32, *Florida Statutes*, is in agreement with the audited financial statements of Columbia County, Florida, for the year ended September 30, 2001. The financial statements of the Clerk of the Circuit Court are combined with other County agencies in that report.

Investment of Public Funds - The Clerk of the Circuit Court 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 Clerk of the Circuit Court is, or during the year was, in a state of financial emergency as a consequence of conditions in Section 218.503(1), *Florida Statutes*.

# P. DeWitt Cason

Clerk of Circuit Court - Columbia County, Florida



September 20, 2002

Richard C. Powell  
Powell and Jones, CPA's  
2585 S. First Street  
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, 2001.

We were glad to see that there were no additional reportable findings for this audit period. Regarding the prior year finding, the minor instances mentioned occurred before the release of the prior year's audit report. Due to this fact, we were unable to clear this finding in the current year. However, we have improved procedures to ensure that this is not an issue in the future.

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, appearing to read "P. DeWitt Cason", with a long horizontal flourish extending to the right.

P. DeWitt Cason  
Columbia County Clerk of Courts



Powell & Jones  
Certified Public Accountants

Richard C. Powell, CPA  
Marian Jones Powell, CPA

1507 W. Main Blvd.  
Tallahassee, Florida 32305  
904/767-4200  
FAX 904/767-4200

## INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser  
Columbia County, Florida

We have audited the accompanying special purpose financial statements of the Columbia County Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2001, as listed in the table of contents. These special purpose financial statements are the responsibility of the Property Appraiser. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 special purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special purpose 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.

The accompanying financial statements were prepared for the purpose of complying with state reporting requirements, as described in Note 1, and are intended to present the financial position and results of operations of only that portion of the financial reporting entity of Columbia County, Florida, that is attributable to the transactions of the Property Appraiser.

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Property Appraiser, as of September 30, 2001, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Governmental Auditing Standards*, we have also issued a report dated July 17, 2002, on our consideration of the Property Appraiser's internal control over financial reporting on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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.

  
POWELL & JONES  
July 17, 2002

# **COMBINED FINANCIAL STATEMENTS**

**COLUMBIA COUNTY, FLORIDA**

**PROPERTY APPRAISER**

**COMBINED BALANCE SHEET -  
ALL FUND TYPES**

September 30, 2001

	<u>Governmental Fund Type</u>
	<u>General Fund</u>
<b>ASSETS</b>	
Current Assets	
Cash	<u>\$ 21,811</u>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Current Liabilities	
Due to the Board of County Commissioners	\$ 19,723
Due to other governmental units	<u>2,088</u>
	<u>\$ 21,811</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**PROPERTY APPRAISER**

**GENERAL FUND**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL**

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from Board of County Commissioners	<u>\$ 708,073</u>	<u>\$ 688,497</u>	<u>\$ (19,576)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## PROPERTY APPRAISER NOTES TO FINANCIAL STATEMENTS September 30, 2001

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

(i) **Governmental Fund**

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

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



The Property Appraiser directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

**NOTE 3. PENSION PLAN**

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

**Funding Policy** - The System is employee noncontributory. The Property Appraiser is required to contribute at an actuarially determined rate. The rates at September 30, 2001 were as follows: Regular Employees 7.30%; Special Risk Employees 18.44%; Senior Management 9.28%; Elected Officials 15.14%. The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Property Appraiser's contributions to the System for the years ending September 30, 2001, 2000 and 1999 were \$54,890, \$59,579, and \$71,963, respectively, equal to the required contributions for each year.

# **COMPLIANCE SECTION**

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

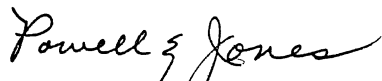
To the Property Appraiser  
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Property Appraiser, as of and for the year ended September 30, 2001, and have issued our report thereon dated July 17, 2002. 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.

Compliance - As part of obtaining reasonable assurance about whether the Columbia County Property Appraiser'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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting - In planning and performing our audit we considered the Columbia County Property Appraiser's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses.

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



**POWELL & JONES**  
July 17, 2002

## MANAGEMENT LETTER

Honorable Property Appraiser  
Columbia County, Florida

We have audited the financial statements of the Columbia County Property Appraiser, as of and for the year ended September 30, 2001, and have issued our report thereon dated July 17, 2002. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

### PRIOR YEAR FINDINGS

All prior year findings were corrected during the current year.

### CURRENT YEAR FINDINGS

There were no additional findings in the current year.

### AUDITOR GENERAL COMPLIANCE MATTERS

Annual Report of Units of Local Government - The financial report filed with the Department of Banking and Finance pursuant to Section 218.32, *Florida Statutes*, is in agreement with the audited financial statements of Columbia County, Florida, for the year ended September 30, 2001. The financial statements of the Property Appraiser are combined with other County agencies in that report.

Investment of Public Funds - The Property Appraiser 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 Property Appraiser is, or during the year was, in a state of financial emergency as a consequence of conditions in Section 218.503(1), *Florida Statutes*.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(g)(6)(c) and 10.556), 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.

COLUMBIA COUNTY  
PROPERTY APPRAISER



J. DOYLE CREWS, C.F.A.  
Property Appraiser

135 NE Hernando Ave., Suite 238  
Lake City, FL 32055  
386-758-1083

November 5, 2002

Mr. Charles L. Lester  
Office of Auditor General  
P.O Box 1735  
Tallahassee, FL 32302

Dear Mr. Lester;

In response to the Management Letter for the office of Columbia County Property Appraiser for the period of October 1, 2000 through September 30, 2001:

I have received the Management Letter and all prior year findings were corrected during the current year. There were no additional findings in the current year.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Doyle Crews", written over a horizontal line.

J. Doyle Crews, CFA  
Property Appraiser

JDC/mm  
Cc: Board of County Commissioners



POWELL & JONES  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1755 S.W. Main Blvd.  
Lake City, Florida 32026  
386 / 755 4200  
Fax 386 / 755 4490

## INDEPENDENT AUDITOR'S REPORT

Honorable Sheriff  
Columbia County, Florida

We have audited the accompanying special purpose financial statements of the Columbia County Sheriff (Sheriff), as of and for the year ended September 30, 2001, as listed in the table of contents. These special purpose financial statements are the responsibility of the Sheriff. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 special purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special purpose 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.

The accompanying financial statements were prepared for the purpose of complying with state reporting requirements, as described in Note 1, and are intended to present the financial position and results of operations of only that portion of the financial reporting entity of Columbia County, Florida that is attributable to the transactions of the Sheriff.

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Sheriff, as of September 30, 2001, and the results of its operations 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 June 5, 2002, on our consideration of the Sheriff's internal control over financial reporting and our tests on its compliance with certain provisions of laws, regulations, contracts and grants. 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.

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

*Powell & Jones*  
POWELL & JONES

June 5, 2002

# **COMBINED FINANCIAL STATEMENTS**

## COLUMBIA COUNTY, FLORIDA

### SHERIFF

#### COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year Ended September 30, 2001

	General Fund	Special Revenue Funds	Totals (Memorandum Only)
<b>REVENUES</b>			
Fines and forfeitures	\$ -	\$ 46,475	\$ 46,475
Miscellaneous	<u>45,003</u>	<u>234,727</u>	<u>279,730</u>
Total revenues	<u>45,003</u>	<u>281,202</u>	<u>326,205</u>
<b>EXPENDITURES</b>			
Current Expenditures			
Public safety	8,106,467	190,394	8,296,861
Capital Outlay			
Public safety	176,189	98,476	274,665
Debt Service			
Public safety	<u>3,491</u>	<u>2,947</u>	<u>6,438</u>
Total expenditures	<u>✓ 8,286,147</u>	<u>291,817</u>	<u>8,577,964</u>
Excess (deficiency) of revenues over expenditures	<u>(8,241,144)</u>	<u>(10,615)</u>	<u>(8,251,759)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in from Board of County Commissioners	8,197,328	49,703	8,247,031
Interfund transfers in	43,816	15,068	58,884
Interfund transfers out	-	(58,884)	(58,884)
Transfers to Board of County Commissioners	-	(57,679)	(57,679)
Total other financing sources (uses)	<u>8,241,144</u>	<u>(51,792)</u>	<u>8,189,352</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	(62,407)	(62,407)
Fund balances at beginning of year	<u>-</u>	<u>113,666</u>	<u>113,666</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 51,259</u>	<u>\$ 51,259</u>

See notes to financial statements.



**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL

GENERAL AND SPECIAL REVENUE FUNDS

For the Fiscal Year Ended September 30, 2001

	<u>General Fund</u>			<u>Special Revenue Funds</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ -	\$ (62,407)	\$ (62,407)	\$ -
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,666</u>	<u>113,666</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 51,259</u></u>	<u><u>\$ 51,259</u></u>	<u><u>\$ -</u></u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## SHERIFF

### NOTES TO FINANCIAL STATEMENTS

September 30, 2001

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

(i) **Governmental Fund**

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

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2001, the Sheriff maintained the following Special Revenue Funds:

Minimum Standards School  
Forfeiture  
Forfeiture - Non Grant  
Inmate Welfare  
Work Program

(ii) **Fiduciary Funds**

**Agency Funds** - Agency Funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations,

**G. Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Group of Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. No depreciation has been provided on the Sheriff's general fixed assets.

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

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

**I. Total Column on the Combined Statements** - The total column on the combined statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

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

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

**NOTE 3. CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>10/01/00</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>09/30/01</u>
Equipment	\$ 2,943,577	\$ 274,665	\$ 49,440	\$ 3,168,802

**NOTE 4. PENSION PLAN**

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

**NOTE 8. DEFICIT FUND BALANCE**

The Forfeiture-Non Grant Fund, a special revenue fund, had a negative fund balance of \$9,909 at September 30, 2001. This deficit will be funded in the ensuing year by a transfer of eligible funds from another special revenue fund.

# **GENERAL FUND**

# COLUMBIA COUNTY, FLORIDA

## SHERIFF

### GENERAL FUND

#### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Charge for Services			
Public safety			
Police services	\$ -	\$ 6,515	\$ 6,515
Miscellaneous revenue	-	38,488	38,488
Total revenue	-	45,003	45,003
<b>EXPENDITURES</b>			
Public safety			
Blanche renovations			
Operating expenses	15,000	-	15,000
VEST Grant			
Operating expenses	499	-	499
COPS Grant			
Personal services	202,033	202,033	-
STOP Grant			
Personal services	35,920	35,920	-
Operating expenses	6,050	21,612	(15,562)
Total STOP grant	41,970	57,532	(15,562)
Multi-Jurisdictional Task Force Grant			
Personal services	131,513	130,466	1,047
Operating expenses	8,190	8,052	138
Capital outlay	24,972	24,791	181
Total Multi-Jurisdictional Task	164,675	163,309	1,366
Sheriff administration			
Personal services	449,835	441,661	8,174
Operating expenses	116,251	113,107	3,144
Capital outlay	23,852	9,589	14,263
Total Sheriff administration	589,938	564,357	25,581
Sheriff road patrol			
Personal services	1,612,568	1,553,349	59,219
Operating expenses	360,327	362,015	(1,688)
Capital outlay	83,348	84,138	(790)
Total Sheriff road patrol	2,056,243	1,999,502	56,741

(continued)

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL**

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Excess (deficiency) of revenues over expenditures	<u>\$(8,392,927)</u>	<u>\$(8,241,144)</u>	<u>\$ 151,783</u>
<b>OTHER FINANCING SOURCES</b>			
Interfund transfers in			
Transfers from Board of County Commissioners	8,392,927	8,197,328	(195,599)
Transfers from other funds	-	43,816	43,816
Total other financing sources	<u>8,392,927</u>	<u>8,241,144</u>	<u>151,783</u>
 Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-
 Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to financial statements.

# **COMBINING STATEMENTS**



# **SPECIAL REVENUE FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**SPECIAL REVENUE FUNDS**

**COMBINING BALANCE SHEET**

September 30, 2001

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Non Grant</u>	<u>Work Program</u>	<u>Totals</u>
<b>ASSETS</b>						
Current Assets						
Cash	\$ 20,523	\$ 11,090	\$ 9,342	\$ 375	\$18,468	\$ 59,798
Due from Clerk of Courts	1,745	-	-	-	-	1,745
Total assets	<u>\$ 22,268</u>	<u>\$ 11,090</u>	<u>\$ 9,342</u>	<u>\$ 375</u>	<u>\$18,468</u>	<u>\$ 61,543</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Current Liabilities						
Due to other governmental units	\$ -	\$ -	\$ -	\$10,284	\$ -	\$ 10,284
<b>FUND BALANCES</b>						
Undesignated fund balances	<u>22,268</u>	<u>11,090</u>	<u>9,342</u>	<u>(9,909)</u>	<u>18,468</u>	<u>51,259</u>
Total liabilities and fund balances	<u>\$ 22,268</u>	<u>\$ 11,090</u>	<u>\$ 9,342</u>	<u>\$ 375</u>	<u>\$18,468</u>	<u>\$ 61,543</u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## SHERIFF

### SPECIAL REVENUE FUNDS

#### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2001

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Non Grant	Work Program	Totals
Public safety						
Operating expenses	\$ 18,876	\$ -	\$ -	\$ 5,080	\$ -	\$ 23,956
Capital outlay	-	-	-	48,173	-	48,173
Total public safety	18,876	-	-	53,253	-	72,129
Detention and correction						
Personal services	-	-	22,107	-	7,594	29,701
Operating expenses	-	-	118,672	-	4,610	123,282
Capital outlay	-	-	34,621	-	-	34,621
Debt Service	-	-	2,947	-	-	2,947
Total detention and correction	-	-	178,347	-	12,204	190,551
Total expenditures	18,876	29,137	178,347	53,253	12,204	291,817
Excess (deficiency) of revenues over expenditures	2,342	(10,817)	28,511	(44,544)	13,893	(10,615)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer from Board of County Commissioners	-	-	-	49,703	-	49,703
Interfund transfers in	-	15,068	-	-	-	15,068
Interfund transfers out	-	-	(43,816)	(15,068)	-	(58,884)
Transfers to Board of County Commissioners	-	(57,679)	-	-	-	(57,679)
Total other financing sources (uses)	-	(42,611)	(43,816)	34,635	-	(51,792)
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	2,342	(53,428)	(15,305)	(9,909)	13,893	(62,407)
Fund balances at beginning of year	19,926	64,518	24,647	-	4,575	113,666
Fund balances at end of year	\$ 22,268	\$ 11,090	\$ 9,342	\$ (9,909)	\$18,468	\$ 51,259

See notes to financial statements.

# **AGENCY FUNDS**

**COLUMBIA COUNTY, FLORIDA**

**SHERIFF**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

For the Fiscal Year Ended September 30, 2001

	<u>Balance Oct. 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Sept. 30, 2001</u>
<b>INMATE TRUST FUND</b>				
<b>Assets</b>				
Cash	\$ 56,657	\$ 251,959	\$ 232,238	\$ 76,378
<b>Liabilities</b>				
Due to individuals	\$ 56,657	\$ 251,959	\$ 232,238	\$ 76,378
 <b>TRUST FUND</b>				
<b>Assets</b>				
Cash	\$ 82,905	\$ 301,571	\$ 283,490	\$ 100,986
<b>Liabilities</b>				
Cash bonds liability	\$ 74,033	\$ 206,656	\$ 201,095	\$ 79,594
Individual depositors liability	8,173	93,913	82,291	19,795
Other current liabilities	699	1,002	104	1,597
Total liabilities	<u>\$ 82,905</u>	<u>\$ 301,571</u>	<u>\$ 283,490</u>	<u>\$ 100,986</u>
 <b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 139,562	\$ 553,530	\$ 515,728	\$ 177,364
<b>Liabilities</b>				
Cash bonds liability	\$ 74,033	\$ 206,656	\$ 201,095	\$ 79,594
Individual depositors liability-Due to Board of County Commissioners	8,173	93,913	82,291	19,795
Due to individuals	56,657	251,959	232,238	76,378
Other current liabilities	699	1,002	104	1,597
Total liabilities	<u>\$ 139,562</u>	<u>\$ 553,530</u>	<u>\$ 515,728</u>	<u>\$ 177,364</u>

See notes to financial statements.

# **COMPLIANCE SECTION**

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

To the Sheriff  
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Sheriff, as of and for the year ended September 30, 2001, and have issued our report thereon dated June 5, 2002. 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.

Compliance - As part of obtaining reasonable assurance about whether the Columbia County Sheriff'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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Columbia County Sheriff in a separate letter dated June 5, 2002, on pages 5-20 - 5-21.

Internal Control Over Financial Reporting - In planning and performing our audit, we considered the Columbia County Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the Columbia County Sheriff in a separate letter dated June 5, 2002, on pages 5-20 - 5-21.

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

  
POWELL & JONES  
June 5, 2002

## MANAGEMENT LETTER

Honorable Sheriff  
Columbia County, Florida

We have audited the financial statements of the Columbia County Sheriff, as of and for the year ended September 30, 2001, and have issued our report thereon dated June 5, 2002. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

### PRIOR YEAR FINDINGS

Payroll reporting - During our audit of payroll transactions in the prior and current years, we could not reconcile salary amounts reported on the quarterly Forms 941 and monthly State retirement reports with corresponding amounts in the general ledger. We found that this was partly due to the manner in which "special detail" revenues were recorded as credits to salary expenditures in the general ledger. To more fully account for payroll transactions, we recommended that a formal reconciliation between amounts reported on the payroll reports and the general ledger accounts be performed on at least a quarterly basis. "Special detail" receipts should also be recorded in a separate revenue account.

These recommendations were implemented in the ensuing year.

Individual depositors - From our audit of individual depositor transactions in the prior and current years, we found that the computerized accounting system for this operation did not provide a detail listing of individual account balances at month end which reconciled to the total funds held in this account. We also found that the employee who generally received individual depositor receipts also made entries in this accounting system.

In order to strengthen internal controls over this operation, we recommend that the computer software be appropriately modified so as to produce a detailed listing of the individual account balances on a periodic basis. We also recommend that an appropriate segregation of duties be instituted so that persons receiving cash are not performing the related accounting entries.

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

### CURRENT YEAR FINDINGS

Duplicate vendor payments - From our audit sampling of various expenditure accounts, we found numerous instances where invoices were paid twice. In many instances staff were able to identify and void the duplicate payments prior to check mailing. However, some vendors were actually paid twice and most issued voluntary refunds or credits. We did however find one instance where a vendor was paid twice and apparently had not issued the Sheriff's Office a refund by the time of our audit. This instance was given to the Office staff for follow-up.





# FRANK E. OWENS, SHERIFF

COLUMBIA COUNTY  
POST OFFICE BOX 650, LAKE CITY, FLORIDA 32056-0650

Residence 752-3430

Emergency/Communications 752-3222  
Administrative Office 752-9212  
Investigations 752-7015  
Patrol 758-1376  
Detention Center 755-7000

October 22, 2002

Powell & Jones, CPA's  
2585 S. First Street  
Lake City, FL 32025

In response to your management letter of June 1, 2002, I have the following response:

- (1) Duplicate Vendor payments: We have made a change in the setup feature of the software to issue a warning on duplicate invoice numbers. Due to an enormous volume of vendor payments, mistakes can, and will occur occasionally. This change should eliminate future duplicate payments.
- (2) Inmate Trust deposits: Our office did find and subsequently identify missing receipts for all those in question. In some instances the supporting documents were not attached, but provided when requested. The documentation required will be better organized in the future

Overall, we were pleased with the audit, which required minor adjustments.

Sincerely,

Frank E. Owens, Sheriff  
Columbia County, Florida

cc: Board of County Commissioners, Columbia County



POWELL & JONES, P.A.  
 1350 S.W. Main Blvd.  
 Tallahassee, Florida 32305

Richard C. Powell, Jr., CPA  
 Warren James Powell, CPA

1350 S.W. Main Blvd.  
 Tallahassee, Florida 32305  
 906 / 705 4200  
 906 / 705 4200

**INDEPENDENT AUDITOR'S REPORT**

Honorable Supervisor of Elections  
 Columbia County, Florida

We have audited the accompanying special purpose financial statements of the Columbia County Supervisor of Elections (Supervisor of Elections), as of and for the year ended September 30, 2001, as listed in the table of contents. These special purpose financial statements are the responsibility of the Supervisor of Elections. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 special purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special purpose 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.

The accompanying financial statements were prepared for the purpose of complying with state reporting requirements, as described in Note 1, and are intended to present the financial position and results of operations of only that portion of the financial reporting entity of Columbia County, Florida, that is attributable to the transactions of the Supervisor of Elections.

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Supervisor of Elections, as of September 30, 2001, and the results of its operations 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 August 22, 2002, on our consideration of the Supervisor of Elections internal control over financial reporting on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

*Powell & Jones*  
 POWELL & JONES  
 August 22, 2002

# COLUMBIA COUNTY, FLORIDA

## SUPERVISOR OF ELECTIONS

### GENERAL FUND

#### COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Miscellaneous			
Interest earnings			
Interest County Officers			
Supervisor of Elections	\$ -	\$ 2,286	\$ 2,286
Other miscellaneous	-	6,835	6,835
Total revenues	-	9,121	9,121
 <b>EXPENDITURES</b>			
General government			
Other general government			
Personal services Supervisor	225,184	223,072	2,112
Personal services Elections	65,000	53,169	11,831
Operating expenses Supervisor	15,569	6,035	9,534
Operating expenses Elections	82,952	69,845	13,107
Capital outlay	-	54,700	(54,700)
Debt service	-	9,415	(9,415)
Total expenditures	388,705	416,236	(27,531)
Excess (deficiency) of revenues over expenditures	(388,705)	(407,115)	(18,410)
 <b>OTHER FINANCING SOURCES</b>			
Transfers from Board of County Commissioners	388,705	378,273	(10,432)
Debt proceeds	-	28,842	28,842
Total other financing sources	388,705	407,115	18,410
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## SUPERVISOR OF ELECTIONS

### NOTES TO FINANCIAL STATEMENTS

September 30, 2001

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

(i) **Governmental Fund**

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

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

#### **I. Total Column on the Combined Statements**

The total column on the combined statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### **J. Estimates**

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

#### **K. Risk Management**

The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to and destruction to property of others. The Supervisor of Elections directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

### **NOTE 3. PENSION PLAN**

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

**Funding Policy** - The System is employee noncontributory. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates at September 30, 2001 were as follows: Regular Employees 7.30%; Special Risk Employees 18.44%; Senior Management 9.28%; Elected Officials 15.14%. The contribution requirements of plan members and the Supervisor of Elections are established and may be amended by the Florida Legislature. The Supervisor of Elections' contributions to the System for the years ending September 30, 2001, 2000 and 1999 were \$21,802, \$22,427, and \$33,374, respectively, equal to the required contributions for each year.

### **NOTE 4. LONG-TERM DEBT**

**Note Payable** - The Supervisor of Elections has an installment payment agreement with Xerox Corporation for the purchase of a copy machine costing \$8,695. The agreement is being paid in seventy-two monthly installments of \$150, including

# **COMPLIANCE SECTION**

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

To the Supervisor of Elections  
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Supervisor of Elections, as of and for the year ended September 30, 2001, and have issued our report thereon dated August 22, 2002. 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.

Compliance - As part of obtaining reasonable assurance about whether the Columbia County Supervisor of Elections' 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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Columbia County Supervisor of Elections in a separate letter dated August 22, 2002, on pages 6-9 - 6-10.

Internal Control Over Financial Reporting - In planning and performing our audit we considered the Columbia County Supervisor of Elections' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of Columbia County Supervisor of Elections in a separate letter dated August 22, 2002, on pages 6-9 - 6-10.

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

  
POWELL & JONES  
August 22, 2002

## MANAGEMENT LETTER

Honorable Supervisor of Elections  
Columbia County, Florida

We have audited the financial statements of the Columbia County Supervisor of Elections, as of and for the year ended September 30, 2001, and have issued our report thereon dated August 22, 2002. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

### PRIOR YEAR FINDINGS

Employee Bonding - From our review of insurance coverages in the prior and current years, we could not ascertain that all employees of the Office involved in cash transactions, were covered by honesty bonding insurance. To increase office internal control, we recommend that appropriate bonding insurance be obtained by the Office.

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

### CURRENT YEAR FINDINGS

Travel - From our tests of travel, we found one instance where the Supervisor of Elections was reimbursed for travel to attend an out of state conference. As shown on the travel voucher filed for this trip, the Supervisor was reimbursed a total of \$2,400.88, which included mileage, meals and lodging.

As provided in Section 112.061(7), *Florida Statutes*, payments for such travel should be computed based on the most economical means of travel.

Based upon our review, we could not determine whether or not air travel for this trip would have been more economical. We thus recommend that the Supervisor in the future document the most efficient and economical means of travel.



**CAROLYN D. KIRBY**  
*Supervisor of Elections • Columbia County*

November 6, 2002

Honorable Charles Lester  
Auditor General  
111 West Madison St.  
Tallahassee, Fl. 32301

Re: Annual Financial Report, Supervisor of Elections Fiscal Year ending September 30, 2001.

Dear Honorable Lester:

We have received the Columbia County, Florida Supervisor of Elections Annual Financial Report for the fiscal year ending September 30, 2001.

In reference to Employee Bonding I will contact the County Coordinator to include my employees under the honesty bonding insurance with the County.

In reference to Travel, under the circumstances of the Florida 2000 election fiasco I believe the decision to attend this special National Meeting would be of great importance. Because of the fear of flying I chose car travel. I do not normally travel to out of state meetings therefore I did not interpret the full intent of F.S. 112.061(7). I will in the future be very conscious of this.

Sincerely,

  
Carolyn D. Kirby  
CDK/jl

**CAROLYN D. KIRBY**  
*Supervisor of Elections • Columbia County*  
971 West Duval Street (Suite 102)  
Lake City, Florida 32055-3734





POWELL & JONES  
CERTIFIED PUBLIC ACCOUNTANTS

Ronald G. Powell, CPA  
Marian Jones Powell, CPA

1950 N.W. Main Blvd.  
Lake City, Florida 32025  
888/755-4200  
Tel: 352/755-4450

## INDEPENDENT AUDITOR'S REPORT

Honorable Tax Collector  
Columbia County, Florida

We have audited the accompanying special purpose financial statements of the Columbia County Tax Collector (Tax Collector), as of and for the year ended September 30, 2001, as listed in the table of contents. These special purpose financial statements are the responsibility of the Tax Collector. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 special purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special purpose 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.

The accompanying financial statements were prepared for the purpose of complying with state reporting requirements, as described in Note 1, and are intended to present the financial position and results of operations of only that portion of the financial reporting entity of Columbia County, Florida, that is attributable to the transactions of the Tax Collector.

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tax Collector, as of September 30, 2001, and the results of its operations 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 15, 2002, on our consideration of the Tax Collector's internal control over financial reporting on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

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

*Powell & Jones*

POWELL & JONES

July 15, 2002

# **COMBINED FINANCIAL STATEMENTS**

# COLUMBIA COUNTY, FLORIDA

## TAX COLLECTOR

### COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 2001

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	
	<u>General Fund</u>	<u>Agency Funds</u>	<u>Totals (Memorandum Only)</u>
<b>ASSETS</b>			
Cash	\$ 151,158	\$ 876,998	\$1,028,156
Dishonored checks receivable	-	1,593	1,593
Due from other funds	4,662	114,910	119,572
Due from Board of County Commissioners	59,269	-	59,269
Due from other governmental units	-	7,182	7,182
Total assets	<u>\$ 215,089</u>	<u>\$1,000,683</u>	<u>\$1,215,772</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 5,238	\$ -	\$ 5,238
Accrued payroll deductions	3,639	-	3,639
Due to other funds	398	119,173	119,571
Due to Board of County Commissioners	195,750	404,553	600,303
Due to other governmental units	10,064	349,985	360,049
Other current liabilities	<u>-</u>	<u>126,972</u>	<u>126,972</u>
Total liabilities and fund equity	<u>\$ 215,089</u>	<u>\$1,000,683</u>	<u>\$1,215,772</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA**

**TAX COLLECTOR**

**GENERAL FUND**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL**

For the Fiscal Year Ended September 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>EXPENDITURES</b>			
General government			
Financial and administrative			
Personal services	\$ 723,771	\$ 716,408	\$ 7,363
Operating expenses	176,173	174,947	1,226
Capital outlay	<u>6,738</u>	<u>6,738</u>	<u>-</u>
Total expenditures	<u>906,682</u>	<u>898,093</u>	<u>8,589</u>
 Excess (deficiency) of revenues over expenditures	 <u>(357,657)</u>	 <u>(341,107)</u>	 <u>16,550</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from the Board of County Commissioners	<u>357,657</u>	<u>341,107</u>	<u>16,550</u>
 Excess (deficiency) of revenues and other financing sources over expenditures	 -	 -	 -
 Fund balance at beginning of year	 -	 -	 -
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

# COLUMBIA COUNTY, FLORIDA

## TAX COLLECTOR

### NOTES TO FINANCIAL STATEMENTS

September 30, 2001

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

(i) **Governmental Fund**

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

(ii) **Fiduciary Fund**

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

# **COMBINING STATEMENTS**

# **AGENCY FUNDS**



# COLUMBIA COUNTY, FLORIDA

## TAX COLLECTOR

### AGENCY FUNDS

#### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2001

	<u>Balance</u> <u>Oct. 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Sept. 30, 2001</u>
<b>TAG AGENCY FUND</b>				
<b>Liabilities</b>				
Due to other funds	\$ 12,110	\$ 8,794	\$ 20,684	\$ 220
Due to other governmental units	121,710	4,552,416	4,547,728	126,398
Other current liabilities	814	352,190	352,460	544
<b>Total liabilities</b>	<u>\$ 134,634</u>	<u>\$4,913,400</u>	<u>\$4,920,872</u>	<u>\$ 127,162</u>
 <b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 871,483	\$41,376,985	\$41,371,470	\$ 876,998
Dishonored checks receivable	870	36,089	35,366	1,593
Due from other funds	106,645	1,928,122	1,919,857	114,910
Due from other governmental units	568	8,806	2,192	7,182
<b>Total assets</b>	<u>\$ 979,566</u>	<u>\$43,350,002</u>	<u>\$43,328,885</u>	<u>\$ 1,000,683</u>
 <b>Liabilities</b>				
Due to the Board of County Commissioners	\$ -	\$ 404,553	\$ -	\$ 404,553
Due to other funds	119,441	2,457,307	2,457,575	119,173
Due to other governmental units	676,229	5,137,082	5,463,326	349,985
Escrow funds payable	32,385	3,065	32,385	3,065
Occupational licenses payable	45,297	60,109	96,456	8,950
Interest payable	6,732	90,678	91,055	6,355
Taxes payable	-	30,342,261	30,342,261	-
Other current liabilities	99,482	2,386,692	2,377,572	108,602
<b>Total liabilities</b>	<u>\$ 979,566</u>	<u>\$40,881,747</u>	<u>\$40,860,630</u>	<u>\$ 1,000,683</u>

See notes to financial statements.

# **COMPLIANCE SECTION**

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


To the Tax Collector  
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Tax Collector, as of and for the year ended September 30, 2001, and have issued our report thereon dated July 15, 2002. 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.

Compliance - As part of obtaining reasonable assurance about whether the Columbia County Tax Collector'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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting - In planning and performing our audit we considered the Columbia County Tax Collector's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Tax Collector of Columbia County, the Board of County Commissioners, and the Auditor General of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

  
POWELL & JONES  
July 15, 2002

## MANAGEMENT LETTER

Honorable Tax Collector  
Columbia County, Florida

We have audited the financial statements of the Columbia County Tax Collector, as of and for the year ended September 30, 2001, and have issued our report thereon dated July 15, 2002. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

**PRIOR YEAR FINDINGS** - All prior year findings were substantially corrected during the current year.

**CURRENT YEAR FINDINGS** - There were no reportable findings in the current year.

### AUDITOR GENERAL COMPLIANCE MATTERS

Annual Report of Units of Local Government - The financial report filed with the Department of Banking and Finance pursuant to Section 218.32, *Florida Statutes*, is in agreement with the audited financial statements of Columbia County, Florida, for the year ended September 30, 2001. The financial statements of the Tax Collector are combined with other County agencies in that report.

Investment of Public Funds - The Tax Collector 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 Tax Collector is, or during the year was, in a state of financial emergency as a consequence of conditions in Section 218.503(1), *Florida Statutes*.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(g)(6)(c). and 10.556), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.544(1)(f).