

COLUMBIA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2004



Powell & Jones
Certified Public Accountants

COLUMBIA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2004

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COLUMBIA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2004

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



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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Florida (the County), as of and for the year ended September 30, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Florida, as of September 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major governmental funds 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 29, 2005, 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.

The Management's Discussion and Analysis on pages 1 - 3 through 1 - 10 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

COLUMBIA COUNTY, FLORIDA
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2004

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2004. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

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

Its intent is to provide a brief, objective, and easily readable analysis of the County's financial performance for the year and its financial position at fiscal year end September 30, 2004. This is the initial year for reporting in accordance with GASB Statement 34. Prior year data is not included for comparative analysis of government-wide data but will be presented in future years.

One of the key changes in financial presentation is the requirement to capitalize infrastructure assets and record depreciation. Consequently, significant changes have resulted in the reporting of fixed assets, long term liabilities, and fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

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

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

Notes to the financial statements

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

FINANCIAL HIGHLIGHTS

Total assets of the County exceeded total liabilities by \$119,899,288 (net assets). Unrestricted net assets for governmental activities were \$23,091,053, and for business-type activities were \$9,730,916. Governmental Activities restricted net assets were \$10,466,855, and there were none for Business-type Activities.

Total net assets increased by \$8,736,160. Of that amount, \$9,011,603 is attributable to Governmental Activities and Business-type Activities decreased \$275,443.

Governmental Funds revenues increased \$2,092,375 to \$49,443,143. This 4.4% increase in revenue was due primarily to an increase in the tax roll value during the year. Governmental Fund expenditures decreased by \$10,794,414 to \$50,396,072. This decrease in expenditures of 17.6% was primarily due to completion of various County facilities and road projects in the prior year.

Business-type activities revenues decreased 47.9% to \$2,038,430, while business-type expenses increased 0.4% to \$2,313,873. The decrease in revenue was attributable to lower tippage fees and the City of Lake City discontinuance of landfill use.

FINANCIAL ANALYSIS OF THE COUNTY

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At September 30, 2004, the assets of the County exceed liabilities by \$119,899,288.

The following schedule provides a summary of the assets, liabilities, and net assets of the county.

Changes in Net Assets

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Revenues:			
Program Revenues			
Charges for services	\$ 10,946,750	\$ 1,706,329	\$12,653,079
Operating grants/ contributions	2,050,952	117,647	2,168,599
Capital grants/ contributions	2,868,151	-	2,868,151
General Revenues			
Property taxes	13,124,285	-	13,124,285
Sales and use taxes	11,295,282	-	11,295,282
Federal and State shared revenues	7,626,877	-	7,626,877
Interest	312,865	110,846	423,711
Other	730,774	103,608	834,382
Total Revenues	<u>48,955,936</u>	<u>2,038,430</u>	<u>50,994,366</u>
Expenses:			
General government	9,771,961	-	9,771,961
Public safety	15,374,701	-	15,374,701
Physical environment	2,726,429	2,313,873	5,040,302
Transportation	6,835,417	-	6,835,417
Economic environment	1,407,023	-	1,407,023
Human services	1,795,151	-	1,795,151
Culture/recreation	1,468,627	-	1,468,627
Interest on long-term debt	565,024	-	565,024
Total Expenses	<u>39,944,333</u>	<u>2,313,873</u>	<u>42,258,206</u>
Increase in net assets	<u>\$ 9,011,603</u>	<u>\$ (275,443)</u>	<u>\$ 8,736,160</u>

Property taxes provide 27% of the revenues for Governmental Activities, while sales taxes provide 23%. Most of the Governmental Activities resources are spent for Public Safety (38%), General Government (24%), Transportation (17%), and Physical Environment (7%).

FUND FINANCIAL INFORMATION

Governmental Funds

General Fund

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County Ordinances or other externally imposed requirements. As of September 30, 2004, total assets were \$10,882,969 and total liabilities were \$136,199. The ending fund balance was \$10,746,770, all of which is undesignated and unreserved.

The *Road Improvement Fund* accounts for the ongoing resurfacing and improvements to various roads within the County. Financing is provided by State construction grants and various transfers from other Board funds. During the year, expenditures exceeded revenues by \$3,564,137. Transfers in of \$3,733,015 offset this deficit, leaving an ending fund balance of \$732,172.

Proprietary Funds

The *Landfill Enterprise Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste disposal facility. This fund is substantially financed by tipping fees charged to users of the services. Total assets as of September 30, 2004, were \$19,067,861, total liabilities were \$7,925,013, and net assets were \$11,142,848. Total income was \$2,038,430, and total expenses were \$2,313,873, leaving a net loss of \$275,443. The net loss was attributable to the County funding debt service from reserves rather than from recurring revenues.

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2004, is \$99,371,884 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. Prior to 2003, general fixed assets were recorded at cost or fair market value at the time of acquisition. Depreciation was not recognized for governmental activities.

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

The following schedule provides a summary of the County's capital assets activity for the year ended September 30, 2004:

	Capital Assets		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Land and improvements	\$ 3,462,386	\$ 7,753,506	\$ 11,215,892
Construction in progress	-	2,808,428	2,808,428
Buildings and improvements	92,911,452	493,668	93,405,120
Equipment	<u>12,895,175</u>	<u>2,070,379</u>	<u>14,965,554</u>
	109,269,013	13,125,981	122,394,994
Less accumulated depreciation	<u>(16,225,737)</u>	<u>(6,797,376)</u>	<u>(23,023,113)</u>
Total	<u>\$ 93,043,276</u>	<u>\$ 6,328,605</u>	<u>\$ 99,371,884</u>

DEBT MANAGEMENT

Governmental Activities Debt

On August 23, 2004, the County issued \$3.25 million of revenue backed bonds for an economic development project. During the year, total long-term debt decreased by \$3,750,308 leaving the following balances:

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET ASSETS

September 30, 2004

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 17,919,336	\$ 7,787,914	\$ 25,707,250
Accounts receivable, net	260,640	334,963	595,603
Due from other funds	646,109	-	646,109
Due from other governmental units	2,978,047	-	2,978,047
Inventories	10,575	-	10,575
Investments	<u>12,700,807</u>	<u>510,119</u>	<u>13,210,926</u>
Total current assets	<u>34,515,514</u>	<u>8,632,996</u>	<u>43,148,510</u>
Noncurrent Assets:			
Restricted assets			
Cash	-	1,005,329	1,005,329
Investments	<u>-</u>	<u>2,918,659</u>	<u>2,918,659</u>
Total restricted assets	<u>-</u>	<u>3,923,988</u>	<u>3,923,988</u>
Capital assets, net	<u>93,043,276</u>	<u>6,328,605</u>	<u>99,371,881</u>
Other assets			
Unamortized bond issuance costs	<u>-</u>	<u>182,272</u>	<u>182,272</u>
Total noncurrent assets	<u>93,043,276</u>	<u>10,434,865</u>	<u>103,478,141</u>
Total assets	<u>\$127,558,790</u>	<u>\$ 19,067,861</u>	<u>\$146,626,651</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 522,732	\$ 37,634	\$ 560,366
Accrued liabilities	310	-	310
Accrued interest payable	189,114	60,217	249,331
Due to other funds	135	-	135
Due to other governmental units	115,170	-	115,170
Deferred revenue	116,363	-	116,363
Accrued compensated absences	-	45,489	45,489
Deposits	10,000	-	10,000
Other current liabilities	<u>3,776</u>	<u>-</u>	<u>3,776</u>
Total current liabilities	<u>957,600</u>	<u>143,340</u>	<u>1,100,940</u>

COLUMBIA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2004

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General Government	\$ 9,771,961	\$ 4,738,034	\$ 82,825	\$ -	\$ (4,951,102)	\$ -	\$ (4,951,102)
Public Safety	15,374,701	3,780,932	657,795	-	(10,935,974)	-	(10,935,974)
Physical Environment	2,726,429	2,388,708	5,752	126,000	(205,969)	-	(205,969)
Transportation	6,835,417	3,710	-	1,499,300	(5,332,407)	-	(5,332,407)
Economic Environment	1,407,023	-	611,099	1,242,851	446,927	-	446,927
Human Services	1,795,151	-	45,191	-	(1,749,960)	-	(1,749,960)
Culture/recreation	1,468,627	35,366	648,290	-	(784,971)	-	(784,971)
Interest on long-term debt	<u>565,024</u>	-	-	-	<u>(565,024)</u>	-	<u>(565,024)</u>
Total governmental activities	39,944,333	10,946,750	2,050,952	2,868,151	(24,078,480)	-	(24,078,480)
Business-type activities							
Physical Environment							
Landfill	<u>2,313,973</u>	<u>1,706,329</u>	<u>117,647</u>	<u>-</u>	<u>-</u>	<u>(489,897)</u>	<u>(489,897)</u>
Total government	<u>\$42,258,206</u>	<u>\$12,653,079</u>	<u>\$ 2,168,599</u>	<u>\$ 2,868,151</u>	<u>(24,078,480)</u>	<u>(489,897)</u>	<u>(24,568,377)</u>
			General revenues				
			Ad valorem taxes		13,124,285	-	13,124,285
			Sales and use taxes		11,295,282	-	11,295,282
			Franchise fees		32,736	-	32,736
			Licenses and permits		527,398	-	527,398
			Federal payments in lieu of taxes		37,433	-	37,433
			Federal and state shared revenues		7,626,877	-	7,626,877
			State payments in lieu of taxes		38,336	-	38,336
			Interest		312,865	110,846	423,711
			Gain (loss) on disposition of fixed assets		(487,205)	103,608	(383,597)
			Rents and royalties		219,380	-	219,380
			Miscellaneous		362,696	-	362,696
			Total general revenues		<u>33,090,083</u>	<u>214,454</u>	<u>33,304,537</u>
			Change in net assets		9,011,603	(275,443)	8,736,160
			Net assets - beginning		<u>99,744,828</u>	<u>11,418,291</u>	<u>111,163,119</u>
			Net assets - ending		<u>\$108,756,431</u>	<u>\$ 11,142,848</u>	<u>\$119,899,279</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2004

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds			Other Governmental Funds	Total Governmental Funds	
	General Fund	County Trans-portion Trust	Municipal Services Benefit Unit	Municipal Services Special District	Sheriff Operating	Road Improvement	Connector Road Project	Economic Development			Road Improvement
REVENUES											
Taxes	\$18,890,544	\$2,277,795	\$ 32,735	\$ -	\$ -	\$ 823,213	\$ 1,850,938	\$ -	\$ -	\$ 577,077	\$24,452,302
Licenses and permits	-	-	527,398	-	-	-	-	-	-	-	527,398
Intergovernmental revenue	1,027,425	2,532,324	241,236	1,059,850	124,754	-	-	1,282,851	1,499,300	4,813,571	12,581,311
Charges for services	1,237,250	3,725	-	1,178,211	155,246	-	-	-	-	2,928,047	5,502,479
Fine and forfeitures	28,835	-	-	-	-	-	-	-	-	1,231,268	1,260,103
Miscellaneous	207,233	83,661	2,380,891	1,891,925	2	5,723	174,485	198,967	28,091	148,570	5,119,548
	<u>21,391,287</u>	<u>4,897,505</u>	<u>3,182,260</u>	<u>4,129,986</u>	<u>280,002</u>	<u>828,936</u>	<u>2,025,423</u>	<u>1,481,818</u>	<u>1,527,391</u>	<u>9,698,533</u>	<u>49,443,141</u>
EXPENDITURES											
Current expenditures											
General government	3,850,992	-	179,200	134,607	-	-	-	-	-	4,781,608	8,946,407
Public safety	872,542	-	669,309	3,269,119	9,424,534	-	-	-	-	424,814	14,660,318
Physical environment	721,991	-	1,978,228	-	-	-	-	-	-	-	2,700,219
Transportation	-	3,948,309	-	-	-	-	2,124,385	-	317,259	-	6,389,953
Economic environment	288,954	-	-	-	-	-	-	130,094	-	975,810	1,394,858
Human services	1,795,151	-	-	-	-	-	-	-	-	-	1,795,151
Culture/recreation	1,079,850	-	86,805	-	-	-	-	-	-	297,958	1,464,613
Capital outlay											
General government	198,049	-	-	-	-	-	-	-	-	269,615	467,664
Public safety	185,357	-	16,980	-	272,970	-	-	-	-	61,853	537,160
Physical environment	4,201	-	-	-	-	-	-	-	-	-	4,201
Transportation	-	270,555	-	-	-	-	214,343	-	4,774,269	-	5,259,167
Economic environment	-	-	-	-	-	-	-	2,047,874	-	129,878	2,177,752
Human services	5,460	-	-	-	-	-	-	-	-	-	5,460
Culture/recreation	80,360	-	-	-	-	-	-	-	-	198,043	278,403
Debt service											
General government	-	-	-	-	-	-	-	-	-	1,642,114	1,642,114
Transportation	-	230,843	-	-	-	817,048	1,349,100	-	-	-	2,396,991
Economic environment	-	-	-	-	-	-	-	189,083	-	87,144	276,227
Total expenditures	<u>9,082,907</u>	<u>4,449,707</u>	<u>2,930,522</u>	<u>3,403,726</u>	<u>9,697,504</u>	<u>817,048</u>	<u>3,687,828</u>	<u>2,367,051</u>	<u>5,091,528</u>	<u>8,868,837</u>	<u>50,396,658</u>
Excess of revenues over (under) expenditures	<u>12,308,380</u>	<u>447,798</u>	<u>251,738</u>	<u>726,260</u>	<u>(9,417,502)</u>	<u>11,888</u>	<u>(1,662,405)</u>	<u>(885,233)</u>	<u>(3,564,137)</u>	<u>829,696</u>	<u>(953,517)</u>
OTHER FINANCING SOURCES (USES)											
Interfund transfers in	-	-	-	-	9,417,502	-	-	-	3,733,015	1,970,619	15,121,136
Debt proceeds	-	-	-	-	-	-	3,250,000	-	-	-	3,250,000
Interfund transfers out	(12,475,506)	(1,000,000)	-	-	-	-	-	-	-	(1,645,630)	(15,121,136)
Total other financing sources (uses)	<u>(12,475,506)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>	<u>9,417,502</u>	<u>-</u>	<u>-</u>	<u>3,250,000</u>	<u>3,733,015</u>	<u>324,989</u>	<u>3,250,000</u>
Net change in fund balances	(167,126)	(552,202)	251,738	726,260	-	11,888	(1,662,405)	2,364,767	168,878	1,154,685	2,296,483
Fund balances at beginning of year	10,913,896	3,911,074	1,400,788	3,335,421	-	633,308	6,063,365	(51,826)	563,294	4,681,221	31,450,541
Fund balances at end of year	<u>\$10,746,770</u>	<u>\$3,358,872</u>	<u>\$1,652,526</u>	<u>\$4,061,681</u>	<u>\$ -</u>	<u>\$ 645,196</u>	<u>\$ 4,400,960</u>	<u>\$ 2,312,941</u>	<u>\$ 732,172</u>	<u>\$ 5,835,906</u>	<u>\$33,747,024</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2004

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes				
Ad valorem taxes				
Current ad valorem taxes	\$12,751,903	\$12,751,903	\$12,888,007	\$ 136,104
Delinquent ad valorem taxes	25,000	25,000	31,789	6,789
Real property taxes	20,000	20,000	-	(20,000)
Sales and use taxes				
Local government infrastructure surtax	5,001,353	5,139,827	5,970,748	830,921
Total taxes	17,798,256	17,936,730	18,890,544	953,814
Intergovernmental revenue				
Federal grants				
Public safety				
Federal Emergency Management	12,000	12,000	15,744	3,744
E. Byrne Memorial grant	-	143,426	133,728	(9,698)
DOT safety grant	-	34,134	63,671	29,537
VOCA grant	-	31,218	21,626	(9,592)
STOP grant	-	-	18,750	18,750
COPS in school	-	69,871	93,117	23,246
Other public safety	-	6,443	-	(6,443)
Physical environment				
Coastal zone management	-	44,430	752	(43,678)
State grants				
General government				
Circuit mediation	4,000	4,000	-	(4,000)
Other general government	125,000	25,000	25,000	-
Public safety				
State Emergency Management	102,587	102,587	102,959	372
Clerks criminal justice grant	-	-	83,446	83,446
Other public safety	3,200	-	-	-
Physical environment				
Litter and Marine Debris	12,839	-	-	-
Human services				
Mosquito control-1	26,518	46,355	45,191	(1,164)
Culture/recreation				
Aid to libraries	48,000	48,000	42,183	(5,817)
Other culture/recreation	50,000	75,000	-	(75,000)
Florida Boating improvement	-	-	18,748	18,748
SRWMD Price Creek study	-	13,756	-	(13,756)
Small County Technical assistance	-	8,500	-	(8,500)

(continued)

COLUMBIA COUNTY, FLORIDA

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2004

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Court related revenues				
County Court criminal				
Services changes	\$ -	\$ -	\$ 106	\$ 106
Court improvement fund	-	-	1,170	1,170
Circuit Court criminal				
Service charges	-	-	140	140
Additional court costs	-	-	550	550
County Court civil				
Service charges	-	-	458	458
Court facility fee	-	-	74,807	74,807
Circuit Court civil				
Court facility fee	-	-	64,539	64,539
Traffic Court	-	-	29	29
Court service reimbursement				
Service charges	100,000	100,000	77,823	(22,177)
Public defender liens	-	-	48,663	48,663
Mediation and arbitration	-	-	3,123	3,123
Other charges for services	-	-	15,140	15,140
Total charges for services	988,400	988,400	1,237,250	248,850
Fines and Forfeitures				
Library fines				
Lake City	31,500	31,500	26,224	(5,276)
Fort White	-	-	1,926	1,926
Other fines and forfeitures				
Other fines	-	-	685	685
Total fines and forfeitures	31,500	31,500	28,835	(2,665)
Miscellaneous				
Interest earnings				
Interest on investments	225,000	225,000	77,439	(147,561)
Interest SBA	-	-	10,974	10,974
Interest County officers				
Tax Collector	-	-	10,923	10,923
Rents and leases				
Rents	-	-	8,500	8,500
Sale of fixed assets				
Equipment	-	13,650	13,650	-
Contributions and donations				
Library	-	2,500	2,500	-
Donation Bernhard Trust	7,500	8,241	7,241	(1,000)
Friends of Library	-	11,300	11,300	-
Other miscellaneous				
Tax deed surplus	-	-	14,279	14,279
Other miscellaneous	16,300	16,300	50,427	34,127
Total miscellaneous	248,800	276,991	207,233	(69,758)
Total revenues	19,632,035	20,093,341	21,391,287	1,297,946

(continued)

COLUMBIA COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2004

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
State Attorney				
Operating expenses	\$ 44,791	\$ 347,681	\$ 317,386	\$ 30,295
Public Defender				
Operating expenses	14,400	19,668	9,103	10,565
Court reporting				
Operating expenses	110,262	116,886	101,779	15,107
Court administrator				
Operating expenses	22,013	24,569	-	24,569
County mediation				
Operating expenses	-	-	15	(15)
Other general government				
Personal services	-	1,205	1,165	40
Operating expenses	-	46,999	45,051	1,948
Total other general government	-	48,204	46,216	1,988
Supervisor of Elections				
Personal services	-	914	-	914
Non-departmental				
Personal services	10,000	10,000	14,548	(4,548)
Operating expenses	401,500	443,500	467,747	(24,247)
Total non-departmental	411,500	453,500	482,295	(28,795)
Courthouse maintenance				
Personal services	586,660	600,825	538,275	62,550
Operating expenses	418,300	286,800	282,079	4,721
Capital outlay	5,000	26,000	3,214	22,786
Total Courthouse maintenance	1,009,960	913,625	823,568	90,057
Courthouse annex maintenance				
Operating expenses	-	49,000	45,681	3,319
Montgomery building				
Operating expenses	-	20,500	19,817	683
Jail maintenance				
Operating expenses	-	27,000	29,085	(2,085)
Elections office				
Operating expenses	-	9,000	11,427	(2,427)
Total general government	4,194,499	4,436,515	4,049,041	387,474

(continued)

COLUMBIA COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Florida forest management Grants and aids	\$ 3,000	\$ 3,000	\$ 3,000	\$ -
Aquatic weed/Alligator Lake Operating expenses	<u>90,000</u>	<u>228,247</u>	<u>51,174</u>	<u>177,073</u>
Florida boating improvement Operating expenses	<u>-</u>	<u>41,522</u>	<u>13,756</u>	<u>27,766</u>
Marine litter and debris Operating expenses	<u>12,839</u>	<u>6,000</u>	<u>5,900</u>	<u>100</u>
Hurricanes Operating expenses	<u>-</u>	<u>226,000</u>	<u>207,862</u>	<u>18,138</u>
Local mitigation strategy Personal services	-	5,000	5,000	-
Grants and aids	<u>-</u>	<u>115,545</u>	<u>115,240</u>	<u>305</u>
Total local mitigation strategy	<u>-</u>	<u>120,545</u>	<u>120,240</u>	<u>305</u>
Landscaping Personal services	93,126	106,518	106,233	285
Operating expenses	38,700	25,999	24,152	1,847
Capital outlay	<u>-</u>	<u>4,201</u>	<u>4,201</u>	<u>-</u>
Total landscaping	<u>131,826</u>	<u>136,718</u>	<u>134,586</u>	<u>2,132</u>
Total physical environment	<u>451,790</u>	<u>996,095</u>	<u>726,192</u>	<u>269,903</u>
Economic environment Commissioners special projects Operating expenses	25,000	130,386	93,491	36,895
Grants and aids	<u>100,000</u>	<u>474,323</u>	<u>106,102</u>	<u>368,221</u>
Total special projects	<u>125,000</u>	<u>604,709</u>	<u>199,593</u>	<u>405,116</u>
Veterans services Personal services	84,500	81,554	82,807	(1,253)
Operating expenses	<u>6,700</u>	<u>7,200</u>	<u>6,554</u>	<u>646</u>
Total veterans services	<u>91,200</u>	<u>88,754</u>	<u>89,361</u>	<u>(607)</u>
Downtown Action Committee Grants and aids	<u>93,836</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total economic environment	<u>310,036</u>	<u>693,463</u>	<u>288,954</u>	<u>404,509</u>
Human services Health Grants and aids	<u>1,601,284</u>	<u>1,456,284</u>	<u>1,455,348</u>	<u>936</u>

(continued)

COLUMBIA COUNTY, FLORIDA

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Special events				
Operating expenses	\$ -	\$ 5,000	\$ 5,000	\$ -
Grants and aids	<u>16,000</u>	<u>-</u>	<u>5,000</u>	<u>(5,000)</u>
Total special events	<u>16,000</u>	<u>5,000</u>	<u>10,000</u>	<u>(5,000)</u>
Total culture/recreation	<u>1,046,443</u>	<u>1,192,217</u>	<u>1,160,210</u>	<u>32,007</u>
Total expenditures	<u>8,851,594</u>	<u>10,163,843</u>	<u>9,082,907</u>	<u>1,080,936</u>
Excess of revenues over (under) expenditures	<u>10,780,441</u>	<u>9,929,498</u>	<u>12,308,380</u>	<u>2,378,882</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers out				
Interfund transfers		(2,200,000)	(2,200,000)	-
Transfers to Clerk of Circuit Court	(577,188)	(661,935)	(643,701)	18,234
Transfers to Property Appraiser	(832,966)	(860,841)	(853,670)	7,171
Transfers to Sheriff	(7,785,041)	(8,484,777)	(8,308,737)	176,040
Transfers to Supervisor of Elections	<u>(405,765)</u>	<u>(473,788)</u>	<u>(469,398)</u>	<u>4,390</u>
Total other financing sources (uses)	<u>(9,600,960)</u>	<u>(12,681,341)</u>	<u>(12,475,506)</u>	<u>205,835</u>
Net change in fund balance	1,179,481	(2,751,843)	(167,126)	2,584,717
Fund balance at beginning of year	<u>10,913,896</u>	<u>10,913,896</u>	<u>10,913,896</u>	<u>-</u>
Fund balance at end of year	<u>\$12,093,377</u>	<u>\$ 8,162,053</u>	<u>\$10,746,770</u>	<u>\$ 2,584,717</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
COUNTY TRANSPORTATION TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
EXPENDITURES				
Transportation				
Tree Trimming				
Personal services	\$ 242,077	\$ 250,077	\$ 247,125	\$ 2,952
Operating expenses	<u>19,000</u>	<u>19,200</u>	<u>19,071</u>	<u>129</u>
Total tree trimming	<u>261,077</u>	<u>269,277</u>	<u>266,196</u>	<u>3,081</u>
Contracted mowing				
Operating expenses	<u>150,000</u>	<u>152,000</u>	<u>151,066</u>	<u>934</u>
Graded roads				
Personal services	768,169	768,169	756,796	11,373
Operating expenses	45,000	26,150	23,369	2,781
Capital outlay	-	21,705	21,705	-
Debt service	<u>150,272</u>	<u>228,272</u>	<u>230,843</u>	<u>(2,571)</u>
Total graded roads	<u>963,441</u>	<u>1,044,296</u>	<u>1,032,713</u>	<u>11,583</u>
Drainage, heavy equipment				
Personal services	285,494	285,494	296,479	(10,985)
Operating expenses	<u>216,000</u>	<u>246,000</u>	<u>245,348</u>	<u>652</u>
Total drainage, heavy equipment	<u>501,494</u>	<u>531,494</u>	<u>541,827</u>	<u>(10,333)</u>
Sign shop				
Personal services	114,058	123,958	123,763	195
Operating expenses	<u>145,000</u>	<u>73,000</u>	<u>99,670</u>	<u>(26,670)</u>
Total sign shop	<u>259,058</u>	<u>196,958</u>	<u>223,433</u>	<u>(26,475)</u>
Repair shop				
Personal services	361,857	346,857	343,903	2,954
Operating expenses	<u>210,000</u>	<u>185,000</u>	<u>161,916</u>	<u>23,084</u>
Total repair shop	<u>571,857</u>	<u>531,857</u>	<u>505,819</u>	<u>26,038</u>
Stock room				
Personal services	27,244	32,244	30,807	1,437
Operating expenses	<u>270,000</u>	<u>295,000</u>	<u>258,803</u>	<u>36,197</u>
Total stock room	<u>297,244</u>	<u>327,244</u>	<u>289,610</u>	<u>37,634</u>
Administration				
Personal services	390,916	430,916	429,423	1,493
Operating expenses	448,300	667,650	558,109	109,541
Capital outlay	-	281,432	248,850	32,582
Total administration	<u>839,216</u>	<u>1,379,998</u>	<u>1,236,382</u>	<u>143,616</u>

(continued)

COLUMBIA COUNTY, FLORIDA
MUNICIPAL SERVICES BENEFIT UNIT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Franchise fees				
Solid waste	\$ 40,000	\$ 40,000	\$ 32,735	\$ (7,265)
Licenses and permits				
Professional and occupational	50,000	50,000	56,708	6,708
Building permits	195,000	217,000	370,254	153,254
Other licenses and permits				
Permits (land use)	44,000	44,000	97,770	53,770
Building inspection	4,000	4,000	2,666	(1,334)
Total licenses and permits	<u>293,000</u>	<u>315,000</u>	<u>527,398</u>	<u>212,398</u>
Intergovernmental revenue				
State shared revenues				
General government				
State revenue sharing	-	-	206	206
Mobile home licenses	22,000	-	14,245	14,245
Communications service taxes	184,832	184,832	226,785	41,953
Total intergovernmental revenue	<u>206,832</u>	<u>184,832</u>	<u>241,236</u>	<u>56,404</u>
Miscellaneous				
Interest earnings				
Interest on investments	26,000	12,500	16,918	4,418
Interest SBA	500	12,500	234	(12,266)
Special assessments/impact fees				
Special assessments				
Partial year solid waste	25,000	25,000	40,707	15,707
Physical environment	2,350,000	2,360,000	2,319,230	(40,770)
Delinquent fees	10,000	-	222	222
Other miscellaneous				
Special lighting	1,500	1,500	1,470	(30)
Other	1,000	2,500	2,110	(390)
Total miscellaneous	<u>2,414,000</u>	<u>2,414,000</u>	<u>2,380,891</u>	<u>(33,109)</u>
Total revenues	<u>2,953,832</u>	<u>2,953,832</u>	<u>3,182,260</u>	<u>228,428</u>

(continued)

COLUMBIA COUNTY, FLORIDA
MUNICIPAL SERVICES BENEFIT UNIT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Excess of revenues over (under) expenditures	\$ 114,732	\$ (90,749)	\$ 251,738	\$ 342,487
Fund balance at beginning of year	<u>1,400,788</u>	<u>1,400,788</u>	<u>1,400,788</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,515,520</u>	<u>\$ 1,310,039</u>	<u>\$ 1,652,526</u>	<u>\$ 342,487</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
MUNICIPAL SERVICES SPECIAL DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Tax Collector				
Operating expenses	\$ 50,000	\$ 27,500	\$ 51,227	\$ (23,727)
Total general government	<u>152,000</u>	<u>129,500</u>	<u>134,607</u>	<u>(5,107)</u>
Public safety				
Fire control				
Personal services	13,200	13,200	13,200	-
Operating expenses	236,000	235,500	226,158	9,342
Grants and aids	<u>1,193,272</u>	<u>1,240,790</u>	<u>1,239,818</u>	<u>972</u>
Total fire control	<u>1,442,472</u>	<u>1,489,490</u>	<u>1,479,176</u>	<u>10,314</u>
Emergency and disaster relief				
Personal services	305,441	305,441	294,449	10,992
Operating expenses	155,250	156,850	150,514	6,336
Grants and aids	<u>-</u>	<u>5,139</u>	<u>5,117</u>	<u>22</u>
Total emergency and disaster relief	<u>460,691</u>	<u>467,430</u>	<u>450,080</u>	<u>17,350</u>
Ambulance and rescue services				
Personal services	1,121,321	1,121,321	1,045,489	75,832
Operating expenses	<u>198,950</u>	<u>189,450</u>	<u>189,367</u>	<u>83</u>
Total ambulance and rescue services	<u>1,320,271</u>	<u>1,310,771</u>	<u>1,234,856</u>	<u>75,915</u>
EMS billings				
Personal services	80,153	80,153	78,645	1,508
Operating expenses	<u>14,550</u>	<u>17,550</u>	<u>12,820</u>	<u>4,730</u>
Total EMS billings	<u>94,703</u>	<u>97,703</u>	<u>91,465</u>	<u>6,238</u>
EMS Medical director				
Personal services	<u>12,266</u>	<u>12,266</u>	<u>11,191</u>	<u>1,075</u>
Other public safety				
Operating expenses	<u>-</u>	<u>7,900</u>	<u>2,351</u>	<u>5,549</u>
Total public safety	<u>3,330,403</u>	<u>3,385,560</u>	<u>3,269,119</u>	<u>116,441</u>
Total expenditures	<u>3,482,403</u>	<u>3,515,060</u>	<u>3,403,726</u>	<u>111,334</u>

(continued)

COLUMBIA COUNTY, FLORIDA
SHERIFF
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenue				
Federal grants				
Public safety				
Local Law Enforcement				
Block	\$ -	\$ -	\$ 124,754	\$ 124,754
Charges for services				
Public safety				
Police services	-	131,102	155,246	24,144
Miscellaneous				
Other miscellaneous	-	-	2	2
Total revenue	<u>-</u>	<u>131,102</u>	<u>280,002</u>	<u>148,900</u>
EXPENDITURES				
Public safety				
VOCA grant				
Personal services	-	30,541	30,541	-
Operating expenses	-	3,183	3,183	-
Total VOCA grant	<u>-</u>	<u>33,724</u>	<u>33,724</u>	<u>-</u>
Records and evidence				
Personal services	120,492	120,492	120,492	-
Operating expenses	<u>18,692</u>	<u>18,692</u>	<u>18,692</u>	<u>-</u>
Total records and evidence	<u>139,184</u>	<u>139,184</u>	<u>139,184</u>	<u>-</u>
Block Grant				
Capital outlay	<u>-</u>	<u>130,237</u>	<u>130,237</u>	<u>-</u>
Public safety				
Personal services	439,706	439,706	439,706	-
Operating expenses	<u>84,847</u>	<u>84,847</u>	<u>84,847</u>	<u>-</u>
Total public safety	<u>524,553</u>	<u>524,553</u>	<u>524,553</u>	<u>-</u>
COPS grant				
Personal services	<u>-</u>	<u>93,557</u>	<u>93,557</u>	<u>-</u>
STOP grant				
Personal services	-	19,893	19,893	-
Operating expenses	<u>-</u>	<u>1,422</u>	<u>1,422</u>	<u>-</u>
Total STOP grant	<u>-</u>	<u>21,315</u>	<u>21,315</u>	<u>-</u>
Multi-Jurisdictional Task				
Force Grant				
Personal services	-	138,747	138,747	-
Operating expenses	-	9,548	9,548	-
Capital outlay	<u>-</u>	<u>27,807</u>	<u>27,807</u>	<u>-</u>
Total Multi-Jurisdictional Task	<u>-</u>	<u>176,102</u>	<u>176,102</u>	<u>-</u>

(continued)

COLUMBIA COUNTY, FLORIDA
SHERIFF
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Excess of revenues over (under) expenditures	<u>\$(9,079,212)</u>	<u>\$(9,417,502)</u>	<u>\$(9,417,502)</u>	<u>\$ -</u>
OTHER FINANCING SOURCES				
Interfund transfers in Transfers from Board of County Commissioners	<u>9,079,212</u>	<u>9,417,502</u>	<u>9,417,502</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
CONNECTOR ROAD PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales and use taxes				
County 5 cent voted gas tax	\$ 1,515,864	\$ 2,100,000	\$ 1,342,202	\$ (757,798)
City 5 cent voted gas tax	584,136	-	508,736	508,736
Total taxes	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,850,938</u>	<u>(249,062)</u>
Miscellaneous				
Interest earnings				
Interest on investments	80,000	80,000	48,485	(31,515)
Contributions and donations	-	-	126,000	126,000
Total miscellaneous	<u>80,000</u>	<u>80,000</u>	<u>174,485</u>	<u>94,485</u>
Total revenues	<u>2,180,000</u>	<u>2,180,000</u>	<u>2,025,423</u>	<u>(154,577)</u>
EXPENDITURES				
Transportation				
SR47 to Sisters Welcome				
Operating expenses	2,000,000	701,145	698,594	2,551
Debt service	1,348,500	1,348,500	1,349,100	(600)
Total SR47 to Sisters Welcome	<u>3,348,500</u>	<u>2,049,645</u>	<u>2,047,694</u>	<u>1,951</u>
Sisters Welcome to 247				
Operating expenses	<u>2,000,000</u>	<u>958,665</u>	<u>954,278</u>	<u>4,387</u>
SR247 to Mary Ethel				
Operating expenses	1,000,000	273,000	254,483	18,517
Capital outlay	500,000	100,000	214,212	(114,212)
Total SR247 to Mary Ethel	<u>1,500,000</u>	<u>373,000</u>	<u>468,695</u>	<u>(95,695)</u>
Bascom Norris to CSX				
Operating expenses	<u>200,000</u>	<u>155,000</u>	<u>131,353</u>	<u>23,647</u>
CSX to Lake Jeffrey				
Operating expenses	8,000	7,000	4,276	2,724
Capital outlay	25,000	7,000	31	6,969
Total CSX to Lake Jeffrey	<u>33,000</u>	<u>14,000</u>	<u>4,307</u>	<u>9,693</u>
Roads and streets				
Operating expenses	<u>300,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Fowler Street to US 41				
Operating expenses	<u>25,000</u>	<u>25,000</u>	<u>11,116</u>	<u>13,884</u>
Lake Jeffrey to US 41				
Operating expenses	70,000	70,000	68,751	1,249
Capital outlay	810	100	100	-
Total Lake Jeffrey to US 41	<u>70,810</u>	<u>70,100</u>	<u>68,851</u>	<u>1,249</u>

(continued)

COLUMBIA COUNTY, FLORIDA

ECONOMIC DEVELOPMENT FUND

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

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenue				
State grants				
Economic environment	\$ -	\$ -	\$ 1,242,851	\$ 1,242,851
Grants from other local units				
Economic environment	40,000	40,000	40,000	-
Total intergovernmental revenue	<u>40,000</u>	<u>40,000</u>	<u>1,282,851</u>	<u>1,242,851</u>
Miscellaneous				
Interest earnings				
Interest on investments	2,000	2,000	7,281	5,281
Interest SBA	-	-	1,579	1,579
Rents and royalties				
Rents	188,505	188,505	177,304	(11,201)
Other miscellaneous	-	-	12,803	12,803
Total miscellaneous	<u>190,505</u>	<u>190,505</u>	<u>198,967</u>	<u>8,462</u>
Total revenues	<u>230,505</u>	<u>230,505</u>	<u>1,481,818</u>	<u>1,251,313</u>
EXPENDITURES				
Economic environment				
Homes of Merit				
Debt service	<u>188,505</u>	<u>188,505</u>	<u>189,083</u>	<u>(578)</u>
Economic development trust				
Operating expenses	<u>-</u>	<u>-</u>	<u>4,279</u>	<u>(4,279)</u>
Service Zone project				
Grants and aids	<u>46,000</u>	<u>46,000</u>	<u>5,000</u>	<u>41,000</u>
Hunter panels				
Operating expenses	-	-	44,048	(44,048)
Capital outlay	-	-	159,824	(159,824)
Total hunter panels	<u>-</u>	<u>-</u>	<u>203,872</u>	<u>(203,872)</u>
New Millenium				
Operating expenses	-	-	76,767	(76,767)
Capital outlay	-	-	1,888,050	(1,888,050)
Debt service	<u>384,500</u>	<u>384,500</u>	<u>-</u>	<u>384,500</u>
Total New Millenium	<u>384,500</u>	<u>384,500</u>	<u>1,964,817</u>	<u>(1,580,317)</u>
Total expenditures	<u>619,005</u>	<u>619,005</u>	<u>2,367,051</u>	<u>(1,748,046)</u>

(continued)

COLUMBIA COUNTY, FLORIDA
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales and use taxes				
Local option gas tax/ alternative fuel	\$ 141,378	\$ 141,378	\$ -	\$ (141,378)
Intergovernmental revenue				
State grants				
Transportation				
Small county road assistance program	-	1,100,000	1,037,300	(62,700)
County incentive grant program	2,904,000	500,000	462,000	(38,000)
Total intergovernmental revenue	<u>2,904,000</u>	<u>1,600,000</u>	<u>1,499,300</u>	<u>(100,700)</u>
Miscellaneous				
Interest earnings				
Interest on investments	2,000	2,000	426	(1,574)
Interest SBA	-	-	10	10
Other miscellaneous	-	-	27,655	27,655
Total miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>28,091</u>	<u>26,091</u>
Total revenues	<u>3,047,378</u>	<u>1,743,378</u>	<u>1,527,391</u>	<u>(215,987)</u>
EXPENDITURES				
Transportation				
Road projects				
Capital outlay	-	13,605	11,950	1,655
Roads and streets				
Personal services	-	50,200	50,672	(472)
CR 131 - Tustenoogee Road				
Capital outlay	<u>1,419,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Emerald Lakes				
Operating expenses	-	1,000	622	378
Academic Way				
Operating expenses	-	3,800	3,712	88
Capital outlay	-	59,500	59,405	95
Total Academic Way	<u>-</u>	<u>63,300</u>	<u>63,117</u>	<u>183</u>
Kirby Road				
Operating expenses	-	27,000	2,916	24,084
Capital outlay	-	5,000	4,449	551
Total Kirby Road	<u>-</u>	<u>32,000</u>	<u>7,365</u>	<u>24,635</u>

(continued)

COLUMBIA COUNTY, FLORIDA

ROAD IMPROVEMENT FUND

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

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Brook Loop				
Operating expenses	\$ -	\$ 7,000	\$ 7,250	\$ (250)
Capital outlay	-	6,000	5,347	653
Total Brook Loop	<u>-</u>	<u>13,000</u>	<u>12,597</u>	<u>403</u>
Canasa Road				
Operating expenses	-	11,000	10,482	518
Capital outlay	-	139,000	137,870	1,130
Total Canasa Road	<u>-</u>	<u>150,000</u>	<u>148,352</u>	<u>1,648</u>
Kirby Road				
Operating expenses	-	3,000	2,429	571
Haltiwanger Road				
Operating expenses	-	5,000	4,355	645
Hunter Panels				
Operating expenses	-	305,000	48,241	256,759
Capital outlay	-	138,000	1,623,562	(1,485,562)
Total Hunter Panels	<u>-</u>	<u>443,000</u>	<u>1,671,803</u>	<u>(1,228,803)</u>
CR 18				
Operating expenses	-	755,000	42,607	712,393
Capital outlay	1,600,000	90,000	868,368	(778,368)
Total CR 18	<u>1,600,000</u>	<u>845,000</u>	<u>910,975</u>	<u>(65,975)</u>
CR 240				
Operating expenses	-	2,500	2,120	380
Capital outlay	-	12,000	10,630	1,370
Total CR 240	<u>-</u>	<u>14,500</u>	<u>12,750</u>	<u>1,750</u>
Ebenezer				
Operating expenses	-	3,000	2,939	61
Capital outlay	-	2,000	2,003	(3)
Total Ebenezer	<u>-</u>	<u>5,000</u>	<u>4,942</u>	<u>58</u>
CR 250				
Operating expenses	-	1,500	1,408	92
Capital outlay	-	201,500	200,327	1,173
Total CR 250	<u>-</u>	<u>203,000</u>	<u>201,735</u>	<u>1,265</u>
CR 25-A				
Operating expenses	-	3,000	2,390	610
Capital outlay	-	297,000	141,557	155,443
Total CR 25-A	<u>-</u>	<u>300,000</u>	<u>143,947</u>	<u>156,053</u>
Willard Kerce				
Operating expenses	-	6,000	5,639	361

(continued)

COLUMBIA COUNTY, FLORIDA
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES				
Interfund transfers in	<u>\$ 2,500,000</u>	<u>\$ 3,200,000</u>	<u>\$ 3,733,015</u>	<u>\$ 533,015</u>
Net change in fund balance	1,368,378	858,773	168,878	(689,895)
Fund balance at beginning of year	<u>563,294</u>	<u>563,294</u>	<u>563,294</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,931,672</u>	<u>\$ 1,422,067</u>	<u>\$ 732,172</u>	<u>\$ (689,895)</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF NET ASSETS
PROPRIETARY FUND**

For the Fiscal Year Ended September 30, 2004

	<u>Landfill Enterprise</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 1,411,932
Unrestricted	<u>9,730,916</u>
Total net assets	<u>\$11,142,848</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2004

	<u>Landfill Enterprise</u>
OPERATING EXPENSES (continued)	
Central Landfill Closure	
Operating expenses	
Professional services	\$ 94,334
Other contractual services	<u>7,732</u>
Total central landfill closure	<u>102,066</u>
Recycling	
Personal services	
Regular salaries	29,137
FICA	2,300
Retirement	2,153
Life and health insurance	3,370
Worker's compensation	<u>3,158</u>
Total personal services	<u>40,118</u>
Operating expenses	
Repair and maintenance	4,753
Operating supplies	529
Gas and oil	<u>721</u>
Total operating expenses	<u>6,003</u>
Total landfill recycling	<u>46,121</u>
Solid Waste Grants	
Operating expenses	
Other contractual services	123,917
Grants and aids	
City of Lake City	<u>22,560</u>
Total solid waste grants	<u>146,477</u>
Total operating expenses	<u>2,068,105</u>
Operating loss	<u>(361,776)</u>
NONOPERATING REVENUES (EXPENSES)	
State grants	
Physical environment	
Small County grant	117,647
Total state grants	<u>117,647</u>
Sale of scrap	<u>103,608</u>
Interest earnings	
Interest on investments	78,921
Interest SBA	5,107
Interest earnings Florida Investment Trust	<u>26,818</u>
Total interest earnings	<u>110,846</u>

(continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF CASH FLOWS PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2004

	<u>Landfill Enterprise</u>
Cash Flows From Operating Activities	
Cash received from customers	\$ 1,704,993
Cash paid to employees	(442,764)
Cash paid for employee benefits	(161,330)
Cash paid to vendors	<u>(569,845)</u>
Net cash provided by operating activities	<u>531,054</u>
Cash Flows From Noncapital Financing Activities	
State grants received	<u>136,375</u>
Net cash provided by noncapital financing activities	<u>136,375</u>
Cash Flows From Capital and Related Financing Activities	
Payments to acquire or construct capital assets	(2,111,342)
Sale of fixed assets	103,608
Principal paid on bonds	(360,000)
Interest paid on capital debt	(209,543)
Other debt service costs	<u>(15,164)</u>
Net cash used for capital and related financing activities	<u>(2,592,441)</u>
Cash Flows From Investing Activities	
Interest received	110,846
Increase in investments	<u>(31,925)</u>
Net cash provided by investing activities	<u>78,921</u>
Net decrease in cash	(1,846,091)
Cash at beginning of year	<u>10,639,334</u>
Cash at end of year	<u>\$ 8,793,243</u>

(continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF FIDUCIARY NET ASSETS

AGENCY FUNDS

September 30, 2004

	Clerk of Courts						Sheriff		Tax Collector		Totals	
	Clerk's Trust	Court Reporting Payroll Trust	Domestic Relations	Employee Retirement Compensation Trust	Jury Witness	Public Defender Occupancy Trust	Registry of Courts	Bond and Fine	Inmate Welfare	Ad Valorem Tax		Tag Agency
ASSETS												
Cash	\$ 859,960	\$ 14,716	\$ 2,664	\$ -	\$ 8,307	\$ 32,887	\$ 52,463	\$ 154,886	\$ 68,874	\$ 931,395	\$ 141,202	\$ 2,267,354
Accounts receivable	4,807	-	-	-	-	-	-	-	-	18	863	5,688
Due from other funds	-	-	-	-	-	-	-	-	-	109	26	135
Total assets	\$ 864,767	\$ 14,716	\$ 2,664	\$ -	\$ 8,307	\$ 32,887	\$ 52,463	\$ 154,886	\$ 68,874	\$ 931,522	\$ 142,091	\$ 2,273,177
LIABILITIES												
Cash bond liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,335	\$ -	\$ -	\$ -	\$ 152,335
Due to individuals	-	-	-	-	-	-	-	-	7,894	53,423	-	61,317
Court fees payable	228,235	-	-	-	-	-	-	-	-	-	-	228,235
Deposits held in escrow	-	-	-	-	-	-	35,711	-	-	2,150	-	37,861
Due to other funds	189,041	-	763	-	-	97	3	2,551	-	440,914	12,740	646,109
Due to other governmental units	278,067	14,716	603	-	287	32,790	-	-	-	387,210	128,442	842,115
Interest payable	-	-	-	-	-	-	16,749	-	-	1,437	-	18,186
Installments payable	9,540	-	-	-	-	-	-	-	-	-	-	9,540
Suspense liability	69,174	-	-	-	-	-	-	-	-	-	-	69,174
Tax deed sales	84,233	-	-	-	-	-	-	-	-	-	-	84,233
Occupational licenses payable	-	-	-	-	-	-	-	-	-	44,992	-	44,992
Other current liabilities	6,477	-	1,298	-	8,020	-	-	-	60,980	1,396	909	79,080
Total liabilities	864,767	14,716	2,664	-	8,307	32,887	52,463	154,886	68,874	931,522	142,091	2,273,177
NET ASSETS												
Total net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
Notes to Financial Statements
For the Fiscal Year Ended September 30, 2004

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COLUMBIA COUNTY, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

In June, 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement 34-Basic Financial Statement and Management's Discussion and Analysis - for State and Local Governments. This Statement provides for the most significant change in financial reporting in over twenty years and is scheduled for a phased implementation (based on the size of government) starting with the fiscal year ending 2002. As part of this statement, there is a new reporting requirement regarding the local government's infrastructure (roads, bridges, traffic signals, etc.). This requirement permits an optional four-year further delay for implementation of the infrastructure related portion to the fiscal year ending in 2006. The County has fully implemented the basic model in the FY 2002-2003, and will implement the infrastructure related portion by 2006.

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the Board) and its component units. However, some component units, because of the closeness of their relationships with the Board, should be blended as though they are part of the Board. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the Board), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County 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,

2. Fund Financial Statements

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

Fund financial statements for the primary government's governmental and proprietary funds are presented after the government-wide financial statements. These statements display information about major funds individually, and nonmajor funds in the aggregate for governmental and enterprise funds.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 40 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

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

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

Noncurrent portions of other long-term receivables are offset by fund balance reserve accounts. Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Funds

The County's Landfill Enterprise Fund is a proprietary fund. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets. The County applies all GASB pronouncements as well as all FASB Statements and Interpretations,

2. Proprietary Funds:

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

3. Non-current Governmental Assets/Liabilities:

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

D. Assets, Liabilities and Net Assets or Equity

1. Cash and Cash Equivalents

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

2. Investments

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

3. Allowance for Doubtful Accounts

The County provides an allowance for Landfill Enterprise Fund accounts receivable that may become uncollectible. At September 30, 2004, this allowance was \$14,321. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectable as reported at September 30, 2004.

4. Receivables and Payables

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

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

5. Inventories

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

6. Restricted Assets

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

12. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the "revenue reduction" approach in accounting to rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2004.

13. Landfill Closure Costs

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

14. Capital Contributions

The capital contributions accounted for in the proprietary fund type represents contributions from other funds. Any current year contributions are reported after nonoperating revenues and expenses on the statement of revenues, expenses, and changes in fund assets in accordance with GASB Statement 33.

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

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

"Total fund balances" of the County's governmental funds (\$33,747,028) differs from "net assets" of governmental activities (\$108,756,440) reported in the statement of net assets. This difference primarily results from the long-term economical focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheet.

Capital related items

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

Cost of capital assets	\$109,269,013
Accumulated depreciation	<u>(16,225,737)</u>
Total	<u>\$ 93,043,276</u>

Long-term debt transactions

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net assets. Balances at September 30, 2004, were:

Revenue Notes/Bonds Payable	\$(13,948,546)
Notes payable	(938,102)
Capital leases payable	(1,477,665)
Compensated absences	<u>(1,480,437)</u>
Total	<u>\$ (17,844,750)</u>

Note 2. Reconciliation of Government-wide and Fund Financial Statements - continued

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

COLUMBIA COUNTY, FLORIDA

STATEMENTS - continued

Government-wide Statement of Net Assets - continued

<u>Long-Term Debt Transactions</u>	<u>Reclassifications and Eliminations</u>	<u>Statement of Net Assets</u>
\$ -	\$ -	\$ 17,919,336
-	-	260,640
-	(823,472)	646,109
-	-	2,978,047
-	-	10,575
-	-	12,700,807
-	-	<u>93,043,276</u>
<u>\$ -</u>	<u>\$ (823,472)</u>	<u>\$127,558,790</u>
\$ -	\$ -	\$ 522,732
-	-	310
189,114	-	189,114
-	(823,472)	135
-	-	115,170
-	-	10,000
-	-	3,776
-	-	116,363
1,480,437	-	1,480,437
938,102	-	938,102
13,948,546	-	13,948,546
<u>1,477,665</u>	-	<u>1,477,665</u>
18,033,864	(823,472)	18,802,350
<u>(18,033,864)</u>	<u>-</u>	<u>108,756,440</u>
<u>\$ -</u>	<u>\$ (823,472)</u>	<u>\$127,558,790</u>

Note 2. Reconciliation of Government-wide and Fund Financial Statements - continued

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

1. Deposits

At September 30, 2004, the carrying amount of the County's deposits was \$29,868,060. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

2. Investments -

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

In accordance with generally accepted accounting principles, the County's investments are categorized in the following schedule to give an indication of the level of custodial credit risk assumed at year end. Category 1 includes investments that are insured or registered, or for which the securities are held by the County or its agent in the County's name. Investments in the Local Government Surplus Funds Trust Fund, the Florida Local Government Investment Trust Fund, money market accounts and guaranteed investment contracts are not categorized since the investments are not evidenced by securities that exist in physical or book entry form.

The Local Government Surplus Funds Trust Fund Investment Pool (Pool) is a "2a-7" like pool, and therefore, the County's account balance is used for fair value reporting. All units of local government in Florida are eligible, but not required, to participate in the Pool. In addition to a variety of fixed coupon investments, the Pool also purchases floating rate and adjustable rate securities. These floating rate and adjustable rate securities are used to hedge against interest rate risk and provide diversification to the portfolio. The floating rate and adjustable rate securities all float relative to prevailing short-term interest rates such as LIBOR, Prime, or Fed Funds rates. On September 30, 2004, the Pool held floating rate securities, either directly or as invested securities lending collateral, at a fair value of \$8.96 billion. The Pool also participates in securities lending programs. As of September 30, 2004, the collateral held by the Pool, \$4,098,108,262 in cash and \$2,596,428 in U.S. Government securities, exceeded the fair value of the securities underlying the agreements. As of September 30, 2004, the Pool had approximately 800 local government participants with total investments of approximately \$19.26 billion.

The Florida Local Government Investment Trust Fund (Trust) is a professionally managed fund available only to public entities in Florida. The investment policy of the trust restricts investments to direct obligations of or securities fully guaranteed by the United States; obligations of certain federal agencies, including collateralized mortgage obligations; repurchase agreements; corporate bonds; and commercial paper. As of September 30, 2004, the Trust had investments, at fair value, of approximately \$493 million. Of the total investments in the Trust, 5.94% was invested in asset backed securities 19 75.% was invested in adjustable rate mortgages.

Investments in the Pool and Trust are reported at fair value based on the fair value per share of the underlying portfolio.

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

Governmental activities:	
General Government	\$ 837,173
Public Safety	645,097
Physical Environment	25,019
Transportation	463,994
Culture/Recreation	7,559
Total depreciation expense - governmental activities	<u>\$1,978,842</u>
Business-type activities:	
Landfill Enterprise	<u>\$ 280,383</u>
Total depreciation expense - business-type activities	<u>\$ 280,383</u>

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2004, were:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 660,911	\$ 5,211
Special Revenue Funds:		
Municipal Services Benefit Unit	78,532	-
Municipal Services Special District	55,923	-
Sheriff:		
Operating	5,211	-
Minimum Standard School	-	-
Clerk of Courts:		
Operating	157,401	127,834
Public Records Modernization	18,244	-
Teen Court	195	104,568
Property Appraiser Operating	-	27,171
Supervisor of Elections Operating	-	4,139
Tax Collector Operating	27,334	114,041
Court Reporters	-	-
Fine and Forfeiture	25,187	-
Law Library	-	-
Tourist Development Tax	-	10,948
Tourist Development Debt Service	10,948	
Capital Projects Funds:		
Connector Road Project	-	429,695
County Facilities Renovation	-	-
Road Improvement	429,695	-
Proprietary Fund:		
Landfill Enterprise	-	-
Agency Funds:		
Clerk of Circuit Court		
Trust	-	189,041
Domestic Relations	-	763
Public Defender Occupancy Trust	-	97
Registry of Courts	-	3
Sheriff		
Bond and Fine	-	2,551

Payables

Payables at September 30, 2004, were as follows:

	<u>Vendors</u>	<u>Other Governmental Units</u>	<u>Total Payables</u>
Governmental Activities:			
General	\$ 129,153	\$ -	\$ 129,153
County Transportation Trust	37,234	-	37,234
Municipal Services Benefit Unit	12,382	-	12,382
Municipal Services Special District	89,422	-	89,422
Sheriff Operating	164,096	-	164,096
Connector Road Project	21,347	-	21,347
Economic Development	2,415	-	2,415
Road Improvement	1,587	-	1,587
Other governmental	65,096	115,170	180,266
Total governmental activities	<u>\$ 522,732</u>	<u>\$ 115,170</u>	<u>\$ 637,902</u>
Business-type activities:			
Landfill Enterprise	\$ 37,634	\$ -	\$ 37,634
Total business-type activities	<u>\$ 37,634</u>	<u>\$ -</u>	<u>\$ 37,634</u>

NOTE 10. LONG-TERM LIABILITIES

A. Governmental Activities

Notes Payable

The County 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

The scheduled payment of principal and interest on this note payable are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 46,697	\$ 44,033	\$ 90,730
2006	48,987	41,743	90,730
2007	51,389	39,341	90,730
2008	53,909	36,821	90,730
2009-2013	311,889	141,760	453,649
2014-2018	395,249	58,400	453,649
2019	29,982	261	30,243
Total	<u>\$ 938,102</u>	<u>\$ 362,359</u>	<u>\$ 1,300,461</u>

E. On August 23, 2004, the County issued Sales Tax Revenue Bonds in the amount of \$3,250,000. The purpose of the issuance was to purchase and improve real property to be used for economic development and other public projects. The bonds are being repaid over a period of five years with a fixed interest rate of 3.44%. The debt is secured by and paid from the State Half-Cent Sales Tax revenue.

The scheduled payment of principal and interest on these bonds are as follows:

Year Ending September 30,	Principal	Interest	Total
2005	\$ 1,045,000	\$ 96,429	\$ 1,141,429
2006	1,085,000	57,190	1,142,190
2007	1,120,000	19,264	1,139,264
Total	<u>\$ 3,250,000</u>	<u>\$ 172,883</u>	<u>\$ 3,422,883</u>

Capital Leases

The County has the following installment payment agreements for equipment purchases:

- A. Purchase of a motor grader 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.
- B. Purchase of a motor grader 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.
- C. Purchase of a copier costing \$5,165. The terms of the agreement call for sixty monthly payments of \$113, including interest at 11.13%.
- D. Purchase of seven motor graders costing \$1,081,439. The terms of the agreement call for five annual payments of \$150,272. The payments include interest at 3.75%, beginning in July, 2003, and a balloon payment of \$450,760 in July, 2008.
- E. Purchase of a motor grader costing \$145,949. The terms of the agreement call for five annual payments of \$31,814 and a concluding payment of one dollar in July, 2007. Interest at 4.3% beginning in July, 2003.
- F. Purchase of three motor graders costing \$387,465. The terms of the agreement require five annual payments of \$27,006, including interest of 4.643% and a balloon payment of \$333,000 at the end of sixty months.
- G. The Property Appraiser has an installment payment agreement with ACS Government for a scanner. The agreement is being paid in thirty-six monthly installments of \$3,337, including interest at 7.5%.
- H. The Supervisor of Elections has an installment payment agreement with Xerox Corporation for the purchase of a copy machine costing \$28,842. The agreement is being paid in sixty monthly installments of \$634, including interest all 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, 2004:

Year Ending September 30,	
2005	\$ 577,827
2006	410,287
2007	182,087
2008	459,760
	<u>1,629,961</u>
Less: amount representing interest	<u>(152,296)</u>
Present value of future minimum lease payments	<u>\$1,477,665</u>

	<u>Balance at</u> <u>10/01/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>09/30/04</u>	<u>Due Within</u> <u>One Year</u>
Business Activities:					
Note payable:					
Gulf Breeze loan	\$ 3,985,000	\$ -	\$ (360,000)	\$ 3,625,000	\$ 380,000
Other liabilities - Compensated absences payable	49,609	-	(4,120)	45,489	-
Estimated liability for landfill closure	<u>3,622,233</u>	<u>534,440</u>	<u>-</u>	<u>4,156,673</u>	<u>-</u>
	<u>\$ 7,656,842</u>	<u>\$ 534,440</u>	<u>\$ (364,120)</u>	<u>\$ 7,827,162</u>	<u>\$ 380,000</u>

NOTE 11. LANDFILL CLOSURE AND POSTCLOSURE COST

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

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

\$4,156,673 reported as landfill closure and postclosure care liability at September 30, 2004, represents the cumulative amount reported to date based on the use of eight years of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and annual postclosure care in 2004. The County expects to close this landfill cell in the year 2012. Actual cost may be higher because of inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to an escrow account to finance closure. The County is in compliance with these requirements, and at September 30, 2004, restricted cash of \$3,923,988 is held for its purpose. The County expects future inflation costs to be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (because of changes in technology or applicable laws and regulations, for example), these costs may need to be covered by charges to future landfill users or from other future revenues of the County.

NOTE 12. OPERATING LEASES

The County leases office space and equipment under various long-term operating lease commitments with noncancellable terms. Scheduled minimum rental payments for succeeding fiscal years ending September 30, are as follows:

<u>Year Ending</u> <u>September 30,</u>	
2005	\$ 89,225
2006	89,225
2007	21,251
2008	<u>6,143</u>
	<u>\$ 205,844</u>

NOTE 13. DEFINED BENEFIT PENSION PLAN

A. Florida Retirement System

Plan Description - The County employees participate in the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system, administered by the Florida Department of Administration. The FRS is noncontributory for all members; all contributions are made by the employer. The FRS provides for vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more

NOTE 15. RISK MANAGEMENT

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

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

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

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

NOTE 16. CONSTRUCTION COMMITMENTS

During the year, the County had in progress several construction projects including road improvements and facilities renovations. At year end, the significant portion of these related construction commitments were completed and existing funds had been earmarked for any incomplete projects.

NOTE 17. DEFICIT FUND BALANCE

The following fund of Columbia County reflected the following deficit fund balance at September 30, 2004:

<u>Fund</u>	<u>Amount</u>
Tourist Development Tax Fund	\$12,647

The Board of County Commissioners intends to fund this deficit through transfers of non-restricted assets from other related funds of the Board of County Commissioners.

NOTE 18. SUBSEQUENT EVENT - FEMA GRANT REQUESTS

In October - December, 2004, subsequent to year end, Federal Emergency Management Agency (FEMA) Project Worksheets were completed on behalf of the County, which documented eligible FEMA reimbursement assistance relating to hurricane relief activities. Although the related activities occurred during the current year, no FEMA revenue has been accrued in the financial statements due to uncertainty of availability and exact amounts of the funds to be received. Subsequent to year end, \$2,914,037 has been received in FEMA reimbursement funds.

COMBINING FUND STATEMENTS

COLUMBIA COUNTY, FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2004

Revenue Funds						
Sheriff				Supervisor of Elections	Tax Collector	Community Development Block Grant
Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	
\$ 3,274	\$ 7,597	\$ 149,947	\$11,680	\$ 6,130	\$ 158,026	\$ 44
-	-	-	-	-	218	-
-	-	-	-	-	27,334	-
-	-	-	-	-	-	-
<u>\$ 3,274</u>	<u>\$ 7,597</u>	<u>\$ 149,947</u>	<u>\$11,680</u>	<u>\$ 6,130</u>	<u>990</u>	<u>\$ 44</u>
					<u>\$ 186,568</u>	
\$ -	\$ 13	\$ -	\$ -	\$ 1,991	\$ 56,819	\$ -
-	-	-	-	4,139	114,041	-
-	-	-	-	-	15,371	-
-	-	-	-	-	-	-
-	-	-	-	-	5	-
-	-	-	-	-	332	-
<u>-</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>6,130</u>	<u>186,568</u>	<u>-</u>
3,274	7,584	149,947	11,680	-	-	44
<u>3,274</u>	<u>7,584</u>	<u>149,947</u>	<u>11,680</u>	<u>-</u>	<u>-</u>	<u>44</u>
<u>\$ 3,274</u>	<u>\$ 7,597</u>	<u>\$ 149,947</u>	<u>\$11,680</u>	<u>\$ 6,130</u>	<u>\$ 186,568</u>	<u>\$ 44</u>

(continued)

COLUMBIA COUNTY, FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2004

Revenue Funds		Debt Service Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
Commissioners					
Local Housing Assistance	Tourist Development Tax	Tourist Development	Fifth and Sixth Cent Fuel Tax	Courthouse Renovation	
\$ 383,400	\$ -	\$ 231,912	\$ -	\$ 1,315,032	\$ 3,814,370
-	-	10,948	-	-	17,482
-	-	54,910	-	627,234	239,309
35,552	-	41,820	-	374,751	726,585
<u>\$ 418,952</u>	<u>\$ -</u>	<u>\$ 339,590</u>	<u>\$ -</u>	<u>\$ 2,317,017</u>	<u>\$ 6,415,526</u>
\$ -	\$ 1,394	\$ -	\$ -	\$ 1,917	\$ 65,096
-	10,948	-	-	-	388,701
-	305	-	-	-	115,170
-	-	-	-	-	305
-	-	-	-	-	5
-	-	-	-	-	10,000
-	-	-	-	-	339
<u>-</u>	<u>12,647</u>	<u>-</u>	<u>-</u>	<u>1,917</u>	<u>579,616</u>
-	(12,647)	339,590	-	2,315,100	5,416,958
418,952	-	-	-	-	418,952
<u>418,952</u>	<u>(12,647)</u>	<u>339,590</u>	<u>-</u>	<u>2,315,100</u>	<u>5,835,910</u>
<u>\$ 418,952</u>	<u>\$ -</u>	<u>\$ 339,590</u>	<u>\$ -</u>	<u>\$ 2,317,017</u>	<u>\$ 6,415,526</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2004

Revenue Funds						
Sheriff				Supervisor of Elections	Tax Collector	Community Development Block Grant
Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	
\$ -	\$ -	\$ -	\$ -	\$ 10,283	\$ -	\$ -
-	184,999	-	-	-	1,109,942	-
-	-	216,912	-	-	-	-
3,042	55,031	1,679	7,573	5,771	5,213	-
<u>3,042</u>	<u>240,030</u>	<u>218,591</u>	<u>7,573</u>	<u>16,054</u>	<u>1,115,155</u>	<u>-</u>
-	-	-	-	485,451	1,019,157	-
7,647	203,100	154,569	9,382	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	95,998	-
8,943	30,231	20,534	2,145	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>16,590</u>	<u>233,331</u>	<u>175,103</u>	<u>11,527</u>	<u>485,451</u>	<u>1,115,155</u>	<u>-</u>
(13,548)	6,699	43,488	(3,954)	(469,397)	-	-
-	-	3,850	-	469,397	-	-
-	-	-	-	-	-	-
-	-	3,850	-	469,397	-	-
(13,548)	6,699	47,338	(3,954)	-	-	-
16,822	885	102,609	15,634	-	-	44
<u>\$ 3,274</u>	<u>\$ 7,584</u>	<u>\$ 149,947</u>	<u>\$11,680</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44</u>

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2004

Revenue Funds		Debt	Capital Projects Funds		Total Nonmajor Governmental Funds
Commissioners		Service Fund			
Local Housing Assistance	Tourist Development Tax	Tourist Development	Fifth and Sixth Cent Fuel Tax	Courthouse Renovation	
\$ -	\$ 200,517	\$ 172,072	\$ -	\$ -	\$ 577,077
571,099	-	-	-	3,627,830	4,813,573
-	-	-	-	-	2,928,045
803	11,042	2,523	-	11,551	1,231,268
<u>571,902</u>	<u>211,559</u>	<u>174,595</u>	<u>-</u>	<u>3,639,381</u>	<u>9,698,533</u>
-	-	-	-	276,999	4,781,608
537,930	276,804	-	-	-	424,814
-	-	-	-	-	975,810
-	-	-	-	67,174	297,958
-	129,878	-	-	-	269,615
-	-	-	-	-	61,853
-	-	-	-	-	129,878
-	-	-	-	-	198,043
-	-	87,144	-	1,602,066	1,642,114
<u>537,930</u>	<u>406,682</u>	<u>87,144</u>	<u>-</u>	<u>1,946,239</u>	<u>8,868,837</u>
<u>33,972</u>	<u>(195,123)</u>	<u>87,451</u>	<u>-</u>	<u>1,693,142</u>	<u>829,696</u>
-	-	-	-	-	1,970,623
-	-	-	(533,015)	-	(1,645,630)
-	-	-	(533,015)	-	324,993
33,972	(195,123)	87,451	(533,015)	1,693,142	1,154,689
384,980	182,476	252,139	533,015	621,958	4,681,221
<u>\$ 418,952</u>	<u>\$ (12,647)</u>	<u>\$ 339,590</u>	<u>\$ -</u>	<u>\$ 2,315,100</u>	<u>\$ 5,835,910</u>

See notes to financial statements.

SINGLE AUDIT AND 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

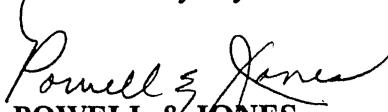
We have audited the basic financial statements of Columbia County, Florida, as of and for the year ended September 30, 2004, and have issued our report thereon dated July 29, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the 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 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 Columbia County, Florida in a separate management letter dated July 29, 2005, on pages 1 - 97 - 1 - 100.

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 Columbia County, Florida in a separate management letter dated July 29, 2005, on pages 1 - 97 - 1 - 100.

This report is intended solely for the information and use of management, the Columbia County Board of County Commissioners and Constitutional Officers, federal and state awarding agencies and pass-through entities, 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
Certified Public Accountants
July 29, 2005

**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, 2004. Columbia County, Florida's major federal awards programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal awards programs and state financial assistance projects is the responsibility of Columbia County, Florida's management. Our responsibility is to express an opinion on Columbia County, Florida's compliance based on our audit.

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

In our opinion, Columbia County, Florida complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal awards programs and state financial assistance projects for the year ended September 30, 2004.

Internal Control Over Compliance

The management of Columbia County, Florida is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal awards programs and state financial assistance projects. In planning and performing our audit, we considered Columbia County, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal awards program or state financial assistance project to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2004

Grantor/Program Title	CFDA#	Grant Number	Award Amount	Reported in Prior Years	Deferred Revenue October 1, 2003	2004		Deferred Revenue September 30, 2004
						Revenue Recognized	Expenditures	
FEDERAL AWARDS								
NONMAJOR PROGRAMS								
U.S. Department of Justice Passed through the Florida Department of Law Enforcement Support Byrne Grant/OBTS Enhancement Multi-Jurisdictional Task Force Program Byrne Grant	16.579	02-CJ-2H-03-22-01-232	\$ 365,608	\$ 282,161	\$ -	\$ 83,446	\$ 83,446	\$ -
Local Law Enforcement Block Grant	16.579	04-CJ-J3-03-22-01-155	133,728	-	-	133,728	133,728	-
	16.592	2002-LB-BX-01-04	80,390	-	80,390	-	80,390	-
	16.592	2003-LB-BX-0363	64,454	-	-	64,454	44,364	20,090
			<u>144,844</u>	<u>-</u>	<u>80,390</u>	<u>64,454</u>	<u>124,754</u>	<u>20,090</u>
U.S. Department of Justice Passed through Florida Department of Law Enforcement Office of Community Police Services COPS in Schools grant	16.710	20035HWX0100	342,126	-	-	93,117	93,117	-
Passed through State of Florida Office of Attorney General Victims of Crimes Act	16.575	V3070	35,282	-	-	21,626	21,626	-
Department of Children and Families Stop Violence Against Women	16.588	LN017	75,000	-	-	18,750	18,750	-
U.S. Department of Transportation Passed through the Florida Department of Transportation Highway Safety Grant	20.605	ANE62	113,691	-	-	63,671	63,671	-
U.S. General Services Administration Passed through State of Florida Department of State/Division of Elections Election Reform Payments	39.011	2003/2004	10,283	-	-	10,283	10,283	-
U.S. Department of Education Passed-through Florida Department of State Division of Library and Information Services - Library Services and Technology Act	45.310	03-LSTA-D-02	13,860	-	-	13,860	13,860	-
Federal Emergency Management Agency Passed through the Florida Department of Community Affairs Emergency Management Performance Grant	83.552	04BG-04-03-22-01-012	15,744	-	-	15,744	15,744	-
National Oceanic and Atmospheric Administration Coastal Impact Assistance Grant	11.419	NA170Z2091	44,430	9,248	-	752	752	-
Federal Bureau of Land Management Passed through the Department of Agriculture and Consumer Services Title IV-A Rural Fire Grant	15.228	2003VFP	5,000	-	-	5,000	5,000	-
Department of Health & Human Services Passed-through Florida Department of Revenue Title IV-D Funds	93.563	CC312	213,545	202,564	-	10,981	10,981	-
Total federal awards			<u>1,513,141</u>	<u>493,973</u>	<u>80,390</u>	<u>535,412</u>	<u>595,712</u>	<u>20,090</u>

COLUMBIA COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2004

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the Single Audit Report of Columbia County, Florida, (the "County") have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations and Office of Management and Budget Circular A-133.

A. Reporting Entity

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

B. Basis of Accounting

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

The modified accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Under the modified accrual basis, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 40 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

COLUMBIA COUNTY, FLORIDA

SCHEDULE OF FINDINGS

For the Fiscal Year Ended September 30, 2004

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:

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
16.579	U.S. Department of Justice
	Byrne Formula Grants
16.592	Local Law Enforcement
	Block Grant

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 Constitutional Officers
Columbia County, Florida

We have audited the financial statements of Columbia County, Florida, as of and for the year ended September 30, 2004, and have issued our report thereon dated July 29, 2005.

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. Disclosures in those reports and schedule, which are dated July 29, 2005, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.55, *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

Governmental Accounting Standards No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments (GASB 34) - In the prior years, we advised the Board that recent pronouncements by the Governmental Accounting Standards Board (GASB), with which the Board 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 beginning in 2002. Due to the fact that the County currently has in excess of \$100 million in fixed assets, we recommended that proper procedures be developed to implement this major forthcoming requirement. In addition to establishing depreciable lives and methods for the various classes of depreciable fixed assets, clear guidelines should also be established as to classifying items as depreciable fixed assets.

During the prior and current year, the Board fully implemented the current requirements of GASB 34 and developed proper financial information for the preparation of required financial statements. The Board now has until 2006 to implement the retroactive reporting of infrastructure assets. We commend the Board departments in fulfilling this major accounting requirement.

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

CURRENT YEAR FINDINGS

Travel - From our review of selected travel invoices, we found two instances where lodging was directly paid by the Board in advance, but actual hotel bills from travelers were not subsequently submitted to fully substantiate the lodging payments made. While such direct payments are clearly authorized by Section 112.061, *Florida Statutes*, it is necessary that actual lodging bills be reconciled with the advance payments and retained in the appropriate files.

Section 116.21, *Florida Statutes*, provides that the Sheriff is authorized to pay into the County Fine and Forfeiture Fund any and all unclaimed moneys deposited or collected by him in his official capacity under specific provisions that include annually publishing a list of unclaimed funds and allowing a specified time period for individuals to file claims for funds due to them.

There is no statutory authorization for the direct transfer and subsequent office expenditure of unclaimed inmate funds directly transferred from the Inmate Trust Fund to the Inmate Welfare Fund. We recommend that the Sheriff review these transactions and refund to the Inmate Welfare Fund any inappropriately transferred amounts.

To prevent such occurrences in the future, we recommended that commissary-related transactions be computed and transferred monthly to the Inmate Welfare Fund. In the current year, staff has initiated procedures to document the transfers of these funds as transferred quarterly.

Compensatory Time - The Fair Labor Standards Act provides that "non-exempt" sworn law enforcement officers may accumulate compensatory time off in lieu of overtime pay if the law enforcement agency has a qualifying policy that applies only to sworn officers and provides for a maximum accumulation of 480 hours.

We were provided a copy of the Sheriff's policy regarding compensatory time which applies to all office employees and provides for a maximum accumulation of 120 hours. From our review of compensatory time records in the current year, we found the following:

1. Fifteen employees with accumulated time in excess of 120 hours and one employee with 567 hours of compensatory time at September 30, 2004.
2. Several non-exempt employees who were not sworn officers had small compensatory time balances.

We again recommend that the Sheriff review the current policy and applicable provisions of the Fair Labor Standard Act and take appropriate corrective actions.

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

CURRENT YEAR FINDINGS

Bank Deposits - Our review of deposit records for Bond Deposits at the jail indicated that the deposit slips are not filled out indicating bond number and we therefore were unable to trace the individual bonds through to bank records.

We recommend that all such deposits be completed in sufficient detail to facilitate tracing of individual transactions through to the bank's records.

SUPERVISOR OF ELECTIONS

PRIOR YEAR FINDINGS

The prior year finding were corrected during the current year.

CURRENT YEAR FINDINGS

There were no additional reportable findings in the current year.

**COMPONENT UNIT FINANCIAL
STATEMENTS**



INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Columbia County, Florida

We have audited the accompanying special purpose financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Columbia County Board of County Commissioners (the Board), as of and for the year ended September 30, 2004, which collectively comprise the Board's basic financial statements 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.

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.

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.

As described in Note 1, the Board has utilized the financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, for the fiscal year ended September 30, 2004. The Board has declined to present the management's discussion and analysis in these special purpose financial statements.

In our opinion, except for the omission of the management's discussion and analysis that results in an incomplete presentation as explained in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County Board of County Commissioners as of September 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major governmental funds 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 29, 2005, on our consideration of the Board's internal control over financial reporting and 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.

BASIC FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

STATEMENT OF NET ASSETS

September 30, 2004

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current Liabilities Payable from Restricted Assets:			
Notes payable short-term	\$ -	\$ 380,000	\$ 380,000
Estimated liability for closure	-	<u>4,156,673</u>	<u>4,156,673</u>
Total current liabilities payable from restricted assets	<u>-</u>	<u>4,536,673</u>	<u>4,536,673</u>
Noncurrent Liabilities:			
Due within one year			
Notes payable	46,697	-	46,697
Capital leases payable	488,743	-	488,743
Bonds payable	5,455,576	-	5,455,576
Due in more than one year			
Notes payable	891,405	3,245,000	4,136,405
Capital leases payable	942,300	-	942,300
Bonds payable	8,492,970	-	8,492,970
Accrued compensated absences	<u>1,480,437</u>	-	<u>1,480,437</u>
Total noncurrent liabilities	<u>17,798,128</u>	<u>3,245,000</u>	<u>21,043,128</u>
Total liabilities	<u>\$ 18,397,748</u>	<u>\$ 7,925,013</u>	<u>\$ 26,322,761</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 74,548,761	\$ 1,411,932	\$ 75,960,693
Restricted for:			
Library	1,713,285	-	1,713,285
Debt service	984,786	-	984,786
Road projects	6,513,337	-	6,513,337
Other purposes	896,415	-	896,415
Unrestricted	<u>23,195,828</u>	<u>9,730,916</u>	<u>32,926,744</u>
Total net assets	<u>\$107,852,412</u>	<u>\$ 11,142,848</u>	<u>\$118,995,260</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2004

	General Fund	Special Revenue Funds			Debt Service Fund	Capital Projects Funds			Other Governmental Funds	Total Governmental Funds
		County Trans-portion Trust	Municipal Services Benefit Unit	Municipal Services Special District	Road Improvement	Connector Road Project	Economic Development	Road Improvement		
ASSETS										
Current Assets										
Cash	\$ 2,455,548	\$1,401,030	\$1,548,271	\$1,720,314	\$ 20,553	\$ 4,558,660	\$ 2,165,329	\$ 163,152	\$ 3,214,181	\$17,247,038
Accounts receivable	48,668	56	197	85,597	-	-	-	-	17,264	151,782
Due from other funds	-	-	-	-	-	-	-	429,695	10,948	440,643
Due from other governmental units	1,723,240	609,677	99,101	62,111	219,357	293,342	40,000	-	746,241	3,793,069
Inventories	-	10,575	-	-	-	-	-	-	-	10,575
Investments	6,655,513	1,374,768	17,856	2,368,440	405,286	-	120,252	140,912	1,617,780	12,700,807
Total assets	\$10,882,969	\$3,396,106	\$1,665,425	\$4,236,462	\$ 645,196	\$ 4,852,002	\$2,325,581	\$ 733,759	\$ 5,606,414	\$34,343,914
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ 129,153	\$ 37,234	\$ 12,382	\$ 89,422	\$ -	\$ 21,347	\$ 2,415	\$ 1,587	\$ 3,714	\$ 297,254
Due to other funds	-	-	-	-	-	429,695	-	-	10,948	440,643
Due to other governmental units	5,211	-	-	-	-	-	-	-	305	5,516
Deposits	-	-	-	-	-	-	10,000	-	-	10,000
Revenues collected in advance	-	-	-	84,499	-	-	-	-	10,000	94,499
Other current liabilities	1,835	-	517	860	-	-	225	-	7	3,444
Total liabilities	136,199	37,234	12,899	174,781	-	451,042	12,640	1,587	24,974	851,356
FUND BALANCES										
Undesignated fund balance	10,746,770	2,431,296	1,652,526	4,061,681	645,196	4,400,960	2,312,941	732,172	5,162,488	32,146,030
Designated fund balance	-	927,576	-	-	-	-	-	-	418,952	1,346,528
Total fund equity	10,746,770	3,358,872	1,652,526	4,061,681	645,196	4,400,960	2,312,941	732,172	5,581,440	33,492,558
Total liabilities and fund balances	\$10,882,969	\$3,396,106	\$1,665,425	\$4,236,462	\$ 645,196	\$ 4,852,002	\$2,325,581	\$ 733,759	\$ 5,606,414	

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

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

92,346,889

Long-term liabilities, including bonds payable (\$13,948,546), notes payable (\$938,102), capital leases payable of (\$1,431,043), compensated absences of (\$1,480,437), and accrued interest of (\$188,907), are not due and payable in the current period and therefore are not reported in the funds.

(17,987,035)

Net assets of governmental activities

\$107,852,412

**COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS**

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2004**

Net change in fund balances - total governmental funds		\$ 2,267,084
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Officer capital additions	\$ 194,814	
Expenditure for capital assets	8,200,170	
Less current year depreciation	<u>(1,460,996)</u>	6,933,988
Governmental funds do not report gain or loss on trade-in or disposition of capital assets. However, the statement of activities reports these gains or losses.		
Loss on disposition of capital assets		(452,394)
Debt and capital lease proceeds provide current financial resources to governmental funds, but debt and capital leases increase long-term liabilities in the statement of net assets		
Bond proceeds		(3,250,000)
Repayments of notes, capital leases and bonds are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Bond principal payments	3,504,236	
Capital lease principal payments	164,426	
Note principal payments	<u>45,563</u>	3,714,225
Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Net change in compensated absences	(43,067)	
Accrued interest expense	<u>(5,674)</u>	<u>(48,741)</u>
Change in net assets of governmental activities		<u>\$ 9,164,162</u>

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, 2004

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
State shared revenues				
General government				
State revenue sharing	\$ 110,935	\$ 100,000	\$ 234,920	\$ 134,920
Insurance agents county licenses	18,000	18,000	27,204	9,204
Alcoholic beverage licenses	12,000	12,000	12,550	550
Racing tax	40,000	40,000	40,000	-
State payments in lieu of taxes	-	25,000	38,336	13,336
Grants from other local units				
General government				
Grants from other local units	-	-	9,500	9,500
Total intergovernmental revenue	<u>565,079</u>	<u>859,720</u>	<u>1,027,425</u>	<u>167,705</u>
Charges for services				
General government				
Recording of legal instruments	115,200	115,200	29,522	(85,678)
Certification, copying, record research	-	-	168	168
County officers fees				
Sheriff	50,000	50,000	86,773	36,773
Clerk of Circuit Court	100,000	100,000	156,857	56,857
Clerk of County Court	100,000	100,000	116,570	16,570
Administrative charges	396,000	396,000	396,000	-
Other general government charges	-	-	24,556	24,556
Public safety				
Police services				
School resource officer	105,000	105,000	104,119	(881)
Room and board for prisoners	-	-	370	370
Physical environment				
Conservation and resource management				
Alligator Lake study	-	-	28,549	28,549
Culture and recreation				
Libraries				
Library City of Lake City	22,200	22,200	435	(21,765)
Library fees Lake City	-	-	1,779	1,779
Library fees Fort White	-	-	257	257
West Branch library	-	-	71	71
Printing Lake City	-	-	4,163	4,163
Printing Fort White	-	-	400	400
Printing West Branch library	-	-	113	113

(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, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
General government				
Legislative				
Personal services	\$ 631,606	\$ 662,588	\$ 703,660	\$ (41,072)
Operating expenses	101,500	127,395	107,965	19,430
Capital outlay	-	62,145	61,873	272
Total legislative	<u>733,106</u>	<u>852,128</u>	<u>873,498</u>	<u>(21,370)</u>
Property Appraiser adjustment board				
Operating expenses	<u>1,653</u>	<u>1,653</u>	<u>-</u>	<u>1,653</u>
Tax Collector				
Operating expenses	<u>425,000</u>	<u>476,900</u>	<u>417,503</u>	<u>59,397</u>
Auditing/accounting				
Operating expenses	<u>80,000</u>	<u>92,625</u>	<u>84,325</u>	<u>8,300</u>
Data processing				
Operating expenses	<u>37,500</u>	<u>64,000</u>	<u>60,726</u>	<u>3,274</u>
Clerk to Board of County Commissioners				
Personal services	<u>1,800</u>	<u>1,163</u>	<u>1,163</u>	<u>-</u>
Clerk's grant				
Capital outlay	<u>-</u>	<u>106,500</u>	<u>111,261</u>	<u>(4,761)</u>
Legal counsel				
Personal services	65,498	80,402	79,218	1,184
Operating expenses	<u>20,000</u>	<u>10,285</u>	<u>-</u>	<u>10,285</u>
Total legal counsel	<u>85,498</u>	<u>90,687</u>	<u>79,218</u>	<u>11,469</u>
Clerk of Circuit Court				
Operating expenses	<u>566,500</u>	<u>475,000</u>	<u>365,474</u>	<u>109,526</u>
Clerk of County Court				
Personal services	<u>-</u>	<u>1,480</u>	<u>1,480</u>	<u>-</u>
Circuit Court				
Personal services	39,331	40,690	40,621	69
Operating expenses	475,700	76,700	69,331	7,369
Capital outlay	<u>100,000</u>	<u>90,000</u>	<u>21,701</u>	<u>68,299</u>
Total Circuit Court	<u>615,031</u>	<u>207,390</u>	<u>131,653</u>	<u>75,737</u>
County Court				
Personal services	25,185	26,142	26,731	(589)
Operating expenses	<u>10,300</u>	<u>10,300</u>	<u>9,637</u>	<u>663</u>
Total County Court	<u>35,485</u>	<u>36,442</u>	<u>36,368</u>	<u>74</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, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public safety				
Law enforcement				
Personal services	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ 278,872</u>	<u>\$ (53,872)</u>
Sheriff service of process				
Personal services	<u>33,000</u>	<u>33,000</u>	<u>33,000</u>	<u>-</u>
Detention Center facilities				
Personal services	35,022	75,366	71,612	3,754
Operating expenses	241,000	269,000	265,679	3,321
Capital outlay	<u>150,000</u>	<u>190,000</u>	<u>185,564</u>	<u>4,436</u>
Total Detention Center facilities	<u>426,022</u>	<u>534,366</u>	<u>522,855</u>	<u>11,511</u>
Emergency management services				
Personal services	74,876	30,626	-	30,626
Operating expenses	<u>29,240</u>	<u>17,820</u>	<u>11,401</u>	<u>6,419</u>
Total emergency management services	<u>104,116</u>	<u>48,446</u>	<u>11,401</u>	<u>37,045</u>
Safety program				
Personal services	52,069	56,317	61,050	(4,733)
Operating expenses	<u>21,200</u>	<u>22,300</u>	<u>15,774</u>	<u>6,526</u>
Total safety program	<u>73,269</u>	<u>78,617</u>	<u>76,824</u>	<u>1,793</u>
Emergency management specialist				
Personal services	29,976	70,693	85,653	(14,960)
Operating expenses	<u>15,320</u>	<u>51,040</u>	<u>49,294</u>	<u>1,746</u>
Total emergency management specialist	<u>45,296</u>	<u>121,733</u>	<u>134,947</u>	<u>(13,214)</u>
Total public safety	<u>906,703</u>	<u>1,041,162</u>	<u>1,057,899</u>	<u>(16,737)</u>
Physical environment				
Conservation and resource management				
Personal services	150,129	145,835	144,306	1,529
Operating expenses	56,350	75,182	37,722	37,460
Capital outlay	<u>-</u>	<u>5,400</u>	<u>-</u>	<u>5,400</u>
Total conservation and resource management	<u>206,479</u>	<u>226,417</u>	<u>182,028</u>	<u>44,389</u>
Santa Fe Soil Grants and aids	<u>7,646</u>	<u>7,646</u>	<u>7,646</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, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Mosquito control				
Personal services	\$ 17,686	\$ 13,617	\$ 13,874	\$ (257)
Operating expenses	57,868	69,205	67,644	1,561
Capital outlay	7,000	7,000	5,460	1,540
Total mosquito control	<u>82,554</u>	<u>89,822</u>	<u>86,978</u>	<u>2,844</u>
Mental health				
Grants and aids	<u>107,100</u>	<u>107,100</u>	<u>107,100</u>	<u>-</u>
Welfare				
Operating expenses	12,335	12,335	12,335	-
Grants and aids	97,600	98,600	98,600	-
Total welfare	<u>109,935</u>	<u>110,935</u>	<u>110,935</u>	<u>-</u>
Retardation				
Grants and aids	<u>22,250</u>	<u>22,250</u>	<u>22,250</u>	<u>-</u>
Other human services				
Operating expenses	8,000	8,000	8,000	-
Grants and aids	11,000	10,000	10,000	-
Total other human services	<u>19,000</u>	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Total human services	<u>1,942,123</u>	<u>1,804,391</u>	<u>1,800,611</u>	<u>3,780</u>
Culture/recreation				
Columbia County Library				
Personal services	492,983	514,882	512,523	2,359
Operating expenses	87,350	90,902	87,120	3,782
Capital outlay	47,000	85,132	68,342	16,790
Total Columbia County library	<u>627,333</u>	<u>690,916</u>	<u>667,985</u>	<u>22,931</u>
Fort White Library				
Personal services	42,760	40,613	40,095	518
Operating expenses	16,100	9,300	8,236	1,064
Capital outlay	12,250	12,600	12,018	582
Total Fort White Library	<u>71,110</u>	<u>62,513</u>	<u>60,349</u>	<u>2,164</u>
West Branch Library				
Personal services	-	12,300	12,061	239
Parks and recreation				
Operating expenses	90,000	144,407	142,842	1,565
Grants and aids	242,000	277,081	266,973	10,108
Total parks and recreation	<u>332,000</u>	<u>421,488</u>	<u>409,815</u>	<u>11,673</u>

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
COUNTY TRANSPORTATION TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes				
Sales and use taxes				
County 1-cent voted gas tax	\$ 579,289	\$ 579,289	\$ 587,508	\$ 8,219
Local option gas tax/ alternative fuel	<u>1,476,500</u>	<u>1,476,500</u>	<u>1,690,287</u>	<u>213,787</u>
Total taxes	<u>2,055,789</u>	<u>2,055,789</u>	<u>2,277,795</u>	<u>222,006</u>
Intergovernmental revenue				
Federal shared revenues				
Federal forestry shared revenues	125,000	12,500	106,603	94,103
Federal payments in lieu of taxes				
Federal payments forestry	33,862	33,862	37,433	3,571
State shared revenues				
General government				
State revenue sharing	236,663	236,663	236,663	-
Transportation				
Motor fuel tax rebate	30,000	30,000	33,179	3,179
Constitutional gas tax	1,438,323	1,438,323	1,464,194	25,871
County gas tax	645,907	645,907	642,624	(3,283)
Special and motor fuel use tax	5,000	5,000	3,786	(1,214)
Other transportation	-	-	7,842	7,842
Total intergovernmental revenue	<u>2,514,755</u>	<u>2,402,255</u>	<u>2,532,324</u>	<u>130,069</u>
Charges for services				
Transportation				
Other transportation receipts				
Culvert and waiver fee	<u>2,000</u>	<u>2,000</u>	<u>3,725</u>	<u>1,725</u>
Miscellaneous				
Interest earnings				
Interest on investments	-	-	541	541
Interest SBA	7,000	7,500	15,237	7,737
Other interest	20,000	12,000	18,771	6,771
Other miscellaneous	<u>12,500</u>	<u>12,500</u>	<u>49,112</u>	<u>36,612</u>
Total miscellaneous	<u>39,500</u>	<u>32,000</u>	<u>83,661</u>	<u>51,661</u>
Total revenues	<u>4,612,044</u>	<u>4,492,044</u>	<u>4,897,505</u>	<u>405,461</u>

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
COUNTY TRANSPORTATION TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Secondary maintenance crew				
Personal services	\$ 150,375	\$ 174,375	\$ 165,452	\$ 8,923
Operating expenses	<u>12,000</u>	<u>13,000</u>	<u>12,717</u>	<u>283</u>
Total secondary maintenance crew	<u>162,375</u>	<u>187,375</u>	<u>178,169</u>	<u>9,206</u>
Public transit system				
Grants and aids	<u>24,492</u>	<u>24,492</u>	<u>24,492</u>	<u>-</u>
Total expenditures	<u>4,030,254</u>	<u>4,644,991</u>	<u>4,449,707</u>	<u>195,284</u>
Excess of revenues over (under) expenditures	<u>581,790</u>	<u>(152,947)</u>	<u>447,798</u>	<u>600,745</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
Net change in fund balance	(418,210)	(1,152,947)	(552,202)	600,745
Fund balance at beginning of year	<u>3,911,074</u>	<u>3,911,074</u>	<u>3,911,074</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,492,864</u>	<u>\$ 2,758,127</u>	<u>\$ 3,358,872</u>	<u>\$ 600,745</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
MUNICIPAL SERVICES BENEFIT UNIT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
General government				
Legislative				
Operating expenses	\$ 82,000	\$ 79,000	\$ 80,373	\$ (1,373)
Tax Collector				
Operating expenses	75,000	61,400	98,827	(37,427)
Total general government	<u>157,000</u>	<u>140,400</u>	<u>179,200</u>	<u>(38,800)</u>
Public safety				
Protective inspections				
Personal services	311,237	355,737	354,799	938
Operating expenses	117,700	109,200	109,405	(205)
Capital outlay	17,000	17,000	16,980	20
Total protective inspections	<u>445,937</u>	<u>481,937</u>	<u>481,184</u>	<u>753</u>
Code enforcement				
Personal services	55,462	58,962	59,494	(532)
Operating expenses	15,300	11,300	11,309	(9)
Total code enforcement	<u>70,762</u>	<u>70,262</u>	<u>70,803</u>	<u>(541)</u>
Addressing services				
Personal services	77,551	110,580	105,743	4,837
Operating expenses	28,600	28,671	28,559	112
Total addressing services	<u>106,151</u>	<u>139,251</u>	<u>134,302</u>	<u>4,949</u>
Total public safety	<u>622,850</u>	<u>691,450</u>	<u>686,289</u>	<u>5,161</u>
Physical environment				
Container service				
Operating expenses	<u>2,025,000</u>	<u>2,025,000</u>	<u>1,978,228</u>	<u>46,772</u>
Culture/recreation				
Parks and recreation				
Operating expenses	34,250	18,000	19,384	(1,384)
Grants and aids	-	169,731	66,583	103,148
Total parks and recreation	<u>34,250</u>	<u>187,731</u>	<u>85,967</u>	<u>101,764</u>
Springhollow subdivision				
Operating expenses	-	-	838	(838)
Total culture/recreation	<u>34,250</u>	<u>187,731</u>	<u>86,805</u>	<u>100,926</u>
Total expenditures	<u>2,839,100</u>	<u>3,044,581</u>	<u>2,930,522</u>	<u>114,059</u>

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
MUNICIPAL SERVICES SPECIAL DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenue				
Federal grants				
Physical environment				
Forestry grant	\$ -	\$ -	\$ 5,000	\$ 5,000
State shared revenues				
General government				
State revenue sharing	871,600	871,600	871,600	-
Racing tax	183,250	183,250	183,250	-
Total intergovernmental revenue	<u>1,054,850</u>	<u>1,054,850</u>	<u>1,059,850</u>	<u>5,000</u>
Charges for services				
Public safety				
Ambulance fees	650,000	650,000	941,649	291,649
911 Telephone assessments	260,000	260,000	236,562	(23,438)
Total charges for services	<u>910,000</u>	<u>910,000</u>	<u>1,178,211</u>	<u>268,211</u>
Miscellaneous				
Interest earnings				
Interest on investments	37,000	37,000	20,607	(16,393)
Interest SBA	-	-	18,534	18,534
Interest County officers	-	-	445	445
Rents and royalties				
Rents and leases	18,000	18,000	27,281	9,281
Special assessments/impact fees				
Special assessments				
EMS	250,000	250,000	250,036	36
Fire control	1,500,000	1,500,000	1,543,252	43,252
Delinquent special assessments	10,000	10,000	9,628	(372)
Partial year EMS	20,000	20,000	21,093	1,093
Other miscellaneous	500	500	1,049	549
Total miscellaneous	<u>1,835,500</u>	<u>1,835,500</u>	<u>1,891,925</u>	<u>56,425</u>
Total revenues	<u>3,800,350</u>	<u>3,800,350</u>	<u>4,129,986</u>	<u>329,636</u>
EXPENDITURES				
General government				
Legislative				
Operating expenses	<u>102,000</u>	<u>102,000</u>	<u>83,380</u>	<u>18,620</u>

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
MUNICIPAL SERVICES SPECIAL DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Excess of revenues over (under) expenditures	\$ 317,947	\$ 285,290	\$ 726,260	\$ 440,970
Fund balance at beginning of year	<u>3,335,421</u>	<u>3,335,421</u>	<u>3,335,421</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,653,368</u>	<u>\$ 3,620,711</u>	<u>\$ 4,061,681</u>	<u>\$ 440,970</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
CONNECTOR ROAD PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales and use taxes				
County 5 cent voted gas tax	\$ 1,515,864	\$ 2,100,000	\$ 1,342,202	\$ (757,798)
City 5 cent voted gas tax	584,136	-	508,736	508,736
Total taxes	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,850,938</u>	<u>(249,062)</u>
Miscellaneous				
Interest earnings				
Interest on investments	80,000	80,000	48,485	(31,515)
Contributions and donations	-	-	126,000	126,000
Total miscellaneous	<u>80,000</u>	<u>80,000</u>	<u>174,485</u>	<u>94,485</u>
Total revenues	<u>2,180,000</u>	<u>2,180,000</u>	<u>2,025,423</u>	<u>(154,577)</u>
EXPENDITURES				
Transportation				
SR47 to Sisters Welcome				
Operating expenses	2,000,000	701,145	698,594	2,551
Debt service	1,348,500	1,348,500	1,349,100	(600)
Total SR47 to Sisters Welcome	<u>3,348,500</u>	<u>2,049,645</u>	<u>2,047,694</u>	<u>1,951</u>
Sisters Welcome to 247				
Operating expenses	<u>2,000,000</u>	<u>958,665</u>	<u>954,278</u>	<u>4,387</u>
SR247 to Mary Ethel				
Operating expenses	1,000,000	273,000	254,483	18,517
Capital outlay	500,000	100,000	214,212	(114,212)
Total SR247 to Mary Ethel	<u>1,500,000</u>	<u>373,000</u>	<u>468,695</u>	<u>(95,695)</u>
Bascom Norris to CSX				
Operating expenses	<u>200,000</u>	<u>155,000</u>	<u>131,353</u>	<u>23,647</u>
CSX to Lake Jeffrey				
Operating expenses	8,000	7,000	4,276	2,724
Capital outlay	25,000	7,000	31	6,969
Total CSX to Lake Jeffrey	<u>33,000</u>	<u>14,000</u>	<u>4,307</u>	<u>9,693</u>
Roads and streets				
Operating expenses	<u>300,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Fowler Street to US 41				
Operating expenses	<u>25,000</u>	<u>25,000</u>	<u>11,116</u>	<u>13,884</u>
Lake Jeffrey to US 41				
Operating expenses	70,000	70,000	68,751	1,249
Capital outlay	810	100	100	-
Total Lake Jeffrey to US 41	<u>70,810</u>	<u>70,100</u>	<u>68,851</u>	<u>1,249</u>

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
ECONOMIC DEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenue				
State grants				
Economic environment	\$ -	\$ -	\$ 1,242,851	\$ 1,242,851
Grants from other local units				
Economic environment	40,000	40,000	40,000	-
Total intergovernmental revenue	40,000	40,000	1,282,851	1,242,851
Miscellaneous				
Interest earnings				
Interest on investments	2,000	2,000	7,281	5,281
Interest SBA	-	-	1,579	1,579
Rents and royalties				
Rents	188,505	188,505	177,304	(11,201)
Other miscellaneous	-	-	12,803	12,803
Total miscellaneous	190,505	190,505	198,967	8,462
Total revenues	230,505	230,505	1,481,818	1,251,313
EXPENDITURES				
Economic environment				
Homes of Merit				
Debt service	188,505	188,505	189,083	(578)
Economic development trust				
Operating expenses	-	-	4,279	(4,279)
Service Zone project				
Grants and aids	46,000	46,000	5,000	41,000
Hunter Panels				
Operating expenses	-	-	44,048	(44,048)
Capital outlay	-	-	159,824	(159,824)
Total Hunter Panels	-	-	203,872	(203,872)
New Millenium				
Operating expenses	-	-	76,767	(76,767)
Capital outlay	-	-	1,888,050	(1,888,050)
Debt service	384,500	384,500	-	384,500
Total New Millenium	384,500	384,500	1,964,817	(1,580,317)
Total expenditures	619,005	619,005	2,367,051	(1,748,046)

(continued)

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

ROAD IMPROVEMENT FUND

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

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales and use taxes				
Local option gas tax/ alternative fuel	\$ 141,378	\$ 141,378	\$ -	\$ (141,378)
Intergovernmental revenue				
State grants				
Transportation				
Small county road assistance program	-	1,100,000	1,037,300	(62,700)
County incentive grant program	<u>2,904,000</u>	<u>500,000</u>	<u>462,000</u>	<u>(38,000)</u>
Total intergovernmental revenue	<u>2,904,000</u>	<u>1,600,000</u>	<u>1,499,300</u>	<u>(100,700)</u>
Miscellaneous				
Interest earnings				
Interest on investments	2,000	2,000	426	(1,574)
Interest SBA	-	-	10	10
Other miscellaneous	-	-	27,655	27,655
Total miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>28,091</u>	<u>26,091</u>
Total revenues	<u>3,047,378</u>	<u>1,743,378</u>	<u>1,527,391</u>	<u>(215,987)</u>
EXPENDITURES				
Transportation				
Road projects				
Capital outlay	-	13,605	11,950	1,655
Roads and streets				
Personal services	-	50,200	50,672	(472)
CR 131 - Tustenoogee Road				
Capital outlay	<u>1,419,000</u>	-	-	-
Emerald Lakes				
Operating expenses	-	1,000	622	378
Academic Way				
Operating expenses	-	3,800	3,712	88
Capital outlay	-	59,500	59,405	95
Total Academic Way	-	<u>63,300</u>	<u>63,117</u>	<u>183</u>
Kirby Road				
Operating expenses	-	27,000	2,916	24,084
Capital outlay	-	5,000	4,449	551
Total Kirby Road	-	<u>32,000</u>	<u>7,365</u>	<u>24,635</u>

(continued)

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

ROAD IMPROVEMENT FUND

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

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Brook Loop				
Operating expenses	\$ -	\$ 7,000	\$ 7,250	\$ (250)
Capital outlay	-	6,000	5,347	653
<u>Total Brook Loop</u>	<u>-</u>	<u>13,000</u>	<u>12,597</u>	<u>403</u>
Canasa Road				
Operating expenses	-	11,000	10,482	518
Capital outlay	-	139,000	137,870	1,130
<u>Total Canasa Road</u>	<u>-</u>	<u>150,000</u>	<u>148,352</u>	<u>1,648</u>
Kirby Road				
Operating expenses	-	3,000	2,429	571
Haltiwanger Road				
Operating expenses	-	5,000	4,355	645
Hunter Panels				
Operating expenses	-	305,000	48,241	256,759
Capital outlay	-	138,000	1,623,562	(1,485,562)
<u>Total Hunter Panels</u>	<u>-</u>	<u>443,000</u>	<u>1,671,803</u>	<u>(1,228,803)</u>
CR 18				
Operating expenses	-	755,000	42,607	712,393
Capital outlay	<u>1,600,000</u>	<u>90,000</u>	<u>868,368</u>	<u>(778,368)</u>
<u>Total CR 18</u>	<u>1,600,000</u>	<u>845,000</u>	<u>910,975</u>	<u>(65,975)</u>
CR 240				
Operating expenses	-	2,500	2,120	380
Capital outlay	-	12,000	10,630	1,370
<u>Total CR 240</u>	<u>-</u>	<u>14,500</u>	<u>12,750</u>	<u>1,750</u>
Ebenezer				
Operating expenses	-	3,000	2,939	61
Capital outlay	-	2,000	2,003	(3)
<u>Total Ebenezer</u>	<u>-</u>	<u>5,000</u>	<u>4,942</u>	<u>58</u>
CR 250				
Operating expenses	-	1,500	1,408	92
Capital outlay	-	201,500	200,327	1,173
<u>Total CR 250</u>	<u>-</u>	<u>203,000</u>	<u>201,735</u>	<u>1,265</u>
CR 25-A				
Operating expenses	-	3,000	2,390	610
Capital outlay	-	297,000	141,557	155,443
<u>Total CR 25-A</u>	<u>-</u>	<u>300,000</u>	<u>143,947</u>	<u>156,053</u>
Willard Kerce				
Operating expenses	-	6,000	5,639	361

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES				
Interfund transfers in	<u>\$ 2,500,000</u>	<u>\$ 3,200,000</u>	<u>\$ 3,733,015</u>	<u>\$ 533,015</u>
Net change in fund balance	1,368,378	858,773	168,878	(689,895)
Fund balance at beginning of year	563,294	563,294	563,294	-
Fund balance at end of year	<u>\$ 1,931,672</u>	<u>\$ 1,422,067</u>	<u>\$ 732,172</u>	<u>\$ (689,895)</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

**BOARD OF COUNTY COMMISSIONERS
STATEMENT OF NET ASSETS
PROPRIETARY FUND**

For the Fiscal Year Ended September 30, 2004

	<u>Landfill Enterprise</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 1,411,932
Unrestricted	<u>9,730,916</u>
Total net assets	<u>\$11,142,848</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS

PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2004

Landfill Enterprise

OPERATING EXPENSES (continued)

Central Landfill Closure	
Operating expenses	
Professional services	\$ 94,334
Other contractual services	7,732
Total central landfill closure	<u>102,066</u>
Recycling	
Personal services	
Regular salaries	29,137
FICA	2,300
Retirement	2,153
Life and health insurance	3,370
Worker's compensation	3,158
Total personal services	<u>40,118</u>
Operating expenses	
Repair and maintenance	4,753
Operating supplies	529
Gas and oil	721
Total operating expenses	<u>6,003</u>
Total landfill recycling	<u>46,121</u>
Solid Waste Grants	
Operating expenses	
Other contractual services	123,917
Grants and aids	
City of Lake City	22,560
Total solid waste grants	<u>146,477</u>
Total operating expenses	<u>2,068,105</u>
Operating loss	<u>(361,776)</u>

NONOPERATING REVENUES (EXPENSES)

State grants	
Physical environment	
Small County grant	117,647
Total state grants	<u>117,647</u>
Sale of scrap	<u>103,608</u>
Interest earnings	
Interest on investments	78,921
Interest SBA	5,107
Interest earnings Florida Investment Trust	26,818
Total interest earnings	<u>110,846</u>

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2004

	<u>Landfill Enterprise</u>
Cash Flows From Operating Activities	
Cash received from customers	\$ 1,704,993
Cash paid to employees	(442,764)
Cash paid for employee benefits	(161,330)
Cash paid to vendors	(569,845)
Net cash provided by operating activities	<u>531,054</u>
Cash Flows From Noncapital Financing Activities	
State grants received	<u>136,375</u>
Net cash provided by noncapital financing activities	<u>136,375</u>
Cash Flows From Capital and Related Financing Activities	
Payments to acquire or construct capital assets	(2,111,342)
Sale of fixed assets	103,608
Principal paid on bonds	(360,000)
Interest paid on capital debt	(209,543)
Other debt service costs	(15,164)
Net cash used for capital and related financing activities	<u>(2,592,441)</u>
Cash Flows From Investing Activities	
Interest received	110,846
Increase in investments	(31,925)
Net cash provided by investing activities	<u>78,921</u>
Net decrease in cash	(1,846,091)
Cash at beginning of year	<u>10,639,334</u>
Cash at end of year	<u>\$ 8,793,243</u>

(continued)

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

In June, 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement 34-Basic Financial Statement and Management's Discussion and Analysis - for State and Local Governments. This Statement provides for the most significant change in financial reporting in over twenty years and is scheduled for a phased implementation (based on the size of government) starting with the fiscal year ending 2002. As part of this statement, there is a new reporting requirement regarding the local government's infrastructure (roads, bridges, traffic signals, etc.). This requirement permits an optional four-year further delay for implementation of the infrastructure related portion to the fiscal year ending in 2006. The Board has fully implemented the basic model in the FY 2002-2003, and will implement the infrastructure related portion by 2006.

A. Reporting Entity

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

2. Fund Financial Statements

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

Fund financial statements for the primary government's governmental and proprietary funds are presented after the government-wide financial statements. These statements display information about major funds individually, and nonmajor funds in the aggregate for governmental and enterprise funds.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 40 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the Board.

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

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

Noncurrent portions of other long-term receivables are offset by fund balance reserve accounts. Because of their spending measurement focus, expenditure recognition for governmental fund types exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Funds

The Board's Landfill Enterprise Fund is a proprietary fund. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets. The Board applies all GASB pronouncements as well as all FASB Statements and Interpretations,

2. Proprietary Funds:

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

3. Noncurrent Governmental Assets/Liabilities:

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

D. Assets, Liabilities and Net Assets or Equity

1. Cash and Cash Equivalents

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

2. Investments

Investments, consisting of investments in the Florida Local Government Surplus Funds Trust Fund, the Florida Counties Investment Trust Fund and U.S. Treasury money market funds, are stated at cost which approximated market value. All such investments are secured as required by state law.

3. Allowance for Doubtful Accounts

The County provides an allowance for Landfill Enterprise Fund accounts receivable that may become uncollectible. At September 30, 2004, this allowance was \$14,321. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectable as reported at September 30, 2004.

4. Receivables and Payables

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

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

5. Inventories

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

6. Restricted Assets

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

12. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the Board must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The Board uses the "revenue reduction" approach in accounting to rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. The Board has no arbitrage liability outstanding as of September 30, 2004.

13. Landfill Closure Costs

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

14. Capital Contributions

The capital contributions accounted for in the proprietary fund type represents contributions from other funds. The current year contributions are reported after nonoperating revenues and expenses on the statement of revenues, expenses, and changes in fund assets in accordance with GASB Statement 33.

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

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

"Total fund balances" of the Board's governmental funds (\$33,492,558) differs from "net assets" of governmental activities (\$107,852,412) reported in the statement of net assets. This difference primarily results from the long-term economical focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheet.

Capital related items

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

Cost of capital assets	\$ 105,631,292
Accumulated depreciation	(13,284,403)
Total	<u>\$ 92,346,889</u>

Long-term debt transactions

Long-term liabilities applicable to the Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net assets. Balances at September 30, 2004, were:

Revenue Notes/Bonds Payable	\$(13,948,546)
Notes payable	(938,102)
Capital leases payable	(1,431,043)
Compensated absences	(1,480,437)
Total	<u>\$ (17,798,128)</u>

Note 2. Reconciliation of Government-wide and Fund Financial Statements - continued

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

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

STATEMENTS - continued

Government-wide Statement of Net Assets - continued

<u>Long-Term Debt Transactions</u>	<u>Reclassifications and Eliminations</u>	<u>Statement of Net Assets</u>
\$ -	\$ -	\$ 17,247,038
-	-	151,782
-	(440,643)	-
-	-	3,793,069
-	-	10,575
-	-	12,700,807
-	-	<u>92,346,889</u>
<u>\$ -</u>	<u>\$ (440,643)</u>	<u>\$126,250,160</u>
\$ -	\$ -	\$ 297,254
188,907	-	188,907
-	(440,643)	-
-	-	5,516
-	-	10,000
-	-	3,444
-	-	94,499
1,480,437	-	1,480,437
938,102	-	938,102
13,948,546	-	13,948,546
<u>1,431,043</u>	<u>-</u>	<u>1,431,043</u>
17,987,035	(440,643)	18,397,748
<u>(17,987,035)</u>	<u>-</u>	<u>107,852,412</u>
<u>\$ -</u>	<u>\$ (440,643)</u>	<u>\$126,250,160</u>

Note 2. Reconciliation of Government-wide and Fund Financial Statements - continued

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

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

STATEMENTS - continued
Statement of Activities - continued

<u>Compensated Absences</u>	<u>Accrued Interest</u>	<u>Reclassifications and Eliminations</u>	<u>Statement of Activities</u>
\$ -	\$ -	\$ -	\$ 24,452,302
-	-	-	527,398
-	-	-	12,429,273
-	-	-	2,587,674
-	-	-	1,018,368
-	-	-	4,184,168
-	-	-	303,168
-	-	-	543,089
<u>-</u>	<u>-</u>	<u>-</u>	<u>(452,394)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>45,593,046</u>
(22,694)	10,868	1,966,768	7,184,178
69,286	-	9,421,353	14,451,000
1,191	-	-	2,726,429
(2,963)	(15,567)	-	6,835,417
1,792	10,373	-	1,407,023
-	-	-	1,795,151
(3,545)	-	-	1,468,627
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>561,059</u>
<u>43,067</u>	<u>5,674</u>	<u>11,388,121</u>	<u>36,428,884</u>
<u>(43,067)</u>	<u>(5,674)</u>	<u>(11,388,121)</u>	<u>9,164,162</u>
-	-	(3,733,015)	-
-	-	3,733,015	-
-	-	11,388,121	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>11,388,121</u>	<u>-</u>
(43,067)	(5,674)	-	9,164,162
<u>(1,437,370)</u>	<u>(183,233)</u>	<u>-</u>	<u>98,688,250</u>
<u><u>\$(1,480,437)</u></u>	<u><u>\$ (188,907)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 107,852,412</u></u>

2. Investments -

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

In accordance with generally accepted accounting principles, the Board's investments are categorized in the following schedule to give an indication of the level of custodial credit risk assumed at year end. Category 1 includes investments that are insured or registered, or for which the securities are held by the Board or its agent in the Board's name. Investments in the Local Government Surplus Funds Trust Fund, the Florida Local Government Investment Trust Fund, money market accounts and guaranteed investment contracts are not categorized since the investments are not evidenced by securities that exist in physical or book entry form.

The Local Government Surplus Funds Trust Fund Investment Pool (Pool) is a "2a-7" like pool, and therefore, the Board's account balance is used for fair value reporting. All units of local government in Florida are eligible, but not required, to participate in the Pool. In addition to a variety of fixed coupon investments, the Pool also purchases floating rate and adjustable rate securities. These floating rate and adjustable rate securities are used to hedge against interest rate risk and provide diversification to the portfolio. The floating rate and adjustable rate securities all float relative to prevailing short-term interest rates such as LIBOR, Prime, or Fed Funds rates. On September 30, 2004, the Pool held floating rate securities, either directly or as invested securities lending collateral, at a fair value of \$8.96 billion. The Pool also participates in securities lending programs. As of September 30, 2004, the collateral held by the Pool, \$4,098,108,262 in cash and \$2,596,428 in U.S. Government securities, exceeded the fair value of the securities underlying the agreements. As of September 30, 2004, the Pool had approximately 800 local government participants with total investments of approximately \$19.26 billion.

The Florida Local Government Investment Trust Fund (Trust) is a professionally managed fund available only to public entities in Florida. The investment policy of the trust restricts investments to direct obligations of or securities fully guaranteed by the United States; obligations of certain federal agencies, including collateralized mortgage obligations; repurchase agreements; corporate bonds; and commercial paper. As of September 30, 2004, the Trust had investments, at fair value, of approximately \$493 million. Of the total investments in the Trust, 5.94 % was invested in asset backed securities. 19.75% was invested in adjustable rate mortgages.

Investments in the Pool and Trust are reported at fair value based on the fair value per share of the underlying portfolio.

Schedule of Investments at September 30, 2004

	Fair Value	Category
Florida Local Government Surplus Funds Trust Fund	\$ 2,918,660	1
Local Government Surplus Funds Trust Fund	6,505,901	*
Banc of America Securities LLC		
Money Market Funds	6,705,024	*
	<u>\$16,129,585</u>	

Business-type activities:	
Landfill Enterprise	\$ 280,383
Total depreciation expense - business-type activities	<u>\$ 280,383</u>

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2004, were:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Special Revenue Funds:		
Tourist Development Tax	\$ -	\$ 10,948
Debt Service Fund:		
Tourist Development	10,948	-
Capital Projects Funds:		
Connector Road Project	-	429,695
County Facilities Renovation	<u>429,695</u>	-
Totals	<u>\$ 440,643</u>	<u>\$ 440,643</u>

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2004, consisted of the following:

Transfers from General Fund to:	
Road Improvement Fund	\$ 2,200,000
Transfer from County Transportation Trust Fund to:	
Road Improvement Fund	1,000,000
Transfers from Fifth and Sixth Cent Fuel Tax Fund to:	
Road Improvement Fund	<u>533,015</u>
Total transfers	<u>\$ 3,733,015</u>

Transfers are used to 1) move revenues from the fund that state law requires to collect them to the fund that state law requires to expend them, 2) provide matching funds for grants, and 3) use unrestricted general fund revenues to finance transportation activities which must be accounted for in another fund.

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

Receivables

Receivables at September 30, 2004, were as follows:

	<u>Accounts</u>	<u>Due from Other Governmental Units</u>	<u>Total Receivables</u>
Governmental Activities:			
General	\$ 48,668	\$ 1,723,240	\$ 1,771,908
County Transportation Trust	56	609,677	609,733
Municipal Services Benefit Unit	197	99,101	99,298
Municipal Services Special District	85,597	62,111	147,708
Road Improvement Debt Service	-	219,357	219,357
Connector Road Project	-	293,342	293,342
Economic Development	-	40,000	40,000
Other governmental	<u>17,264</u>	<u>746,241</u>	<u>763,505</u>
Total governmental activities	<u>\$ 151,782</u>	<u>\$ 3,793,069</u>	<u>\$ 3,944,851</u>

Revenue Bonds

- A. 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.

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 115,000	\$ 75,987	\$ 190,987
2006	125,000	67,687	192,687
2007	810,000	31,911	841,911
Total	<u>\$ 1,050,000</u>	<u>\$ 175,585</u>	<u>\$ 1,225,585</u>

- B. 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, and is paid from this revenue source.

The scheduled payment of principal and interest on these bonds are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 1,350,000	\$ 91,125	\$ 1,441,125
2006	1,350,000	30,375	1,380,375
Total	<u>\$ 2,700,000</u>	<u>\$ 121,500</u>	<u>\$ 2,821,500</u>

- C. On February 1, 2003, the County closed on the Transportation Improvement and Refunding Revenue Bond, Series 2003 in the amount of \$4,600,000. The purpose of this issuance was to refinance the remaining balance of the 1993 Revenue Bonds at a lower interest rate and provide additional funds to finance the costs of certain transportation related improvements. The bonds are being repaid over a period of six years with a fixed interest rate of 2.69%. The debt is secured by and paid from the County's Four Cent Local Option Fuel tax levied pursuant to County ordinance no. 2002-20.

The scheduled payments of principal and interest on these bonds are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 745,576	\$ 87,200	\$ 832,776
2006	765,836	66,940	832,776
2007	786,646	46,130	832,776
2008	788,297	44,479	832,776
2009	412,191	4,195	416,386
Total	<u>\$ 3,498,546</u>	<u>\$ 248,944</u>	<u>\$ 3,747,490</u>

- D. On December 20, 2002, the County closed on the Sales Tax Revenue Refunding Bond, Series 2002 in the amount of \$6,370,000. The purpose of this issuance was to refinance the remaining balances of the SunTrust 1996-A Note Series and the SunTrust 2000-A Series Notes at a lower interest rate. The Bonds are being repaid over a period of four years with a fixed interest rate of 3.5%. The debt is secured by and paid from the State Half-Cent Sales Tax revenues.

The scheduled payment of principal and interest on these bonds are as follows:

B. Business-type Activities

Notes Payable

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.

The scheduled payment of principal and interest on this loan are as follows:

Year Ending September 30,	Principal	Interest	Total
2005	\$ 380,000	\$ 191,223	\$ 571,223
2006	400,000	171,523	571,523
2007	415,000	150,429	565,429
2008	435,000	127,681	562,681
2009-2014	1,995,000	241,561	2,236,561
Total	<u>\$ 3,625,000</u>	<u>\$ 882,417</u>	<u>\$ 4,507,417</u>

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2004, was as follows:

	Balance at 10/01/03	Additions	Deletions	Balance at 09/30/04	Due Within One Year
Governmental Activities:					
Revenue notes payable:					
Notes payable					
Columbia County Bank	\$ 983,665	\$ -	\$ (45,563)	\$ 938,102	\$ 46,697
	<u>983,665</u>	<u>-</u>	<u>(45,563)</u>	<u>938,102</u>	<u>46,697</u>
Revenue bonds:					
Transportation-					
Series 2003	4,243,782	-	(745,236)	3,498,546	745,576
Sales Tax Revenue-					
Series 2004	-	3,250,000	-	3,250,000	1,045,000
SunTrust Revenue Term	1,155,000	-	(105,000)	1,050,000	115,000
SunTrust Revenue Term	3,900,000	-	(1,200,000)	2,700,000	1,350,000
SunTrust Revenue Term	4,904,000	-	(1,454,000)	3,450,000	2,200,000
	<u>14,202,782</u>	<u>3,250,000</u>	<u>(3,504,236)</u>	<u>13,948,546</u>	<u>5,455,576</u>
Capital leases:					
A. John Deere Credit	118,328	-	(3,822)	114,506	4,058
B. John Deere Credit	115,961	-	(5,159)	110,802	5,436
C. Savin	332	-	(332)	-	-
D. Caterpillar Financial	931,166	-	(115,353)	815,813	119,679
E. Caterpillar Financial	87,411	-	(27,926)	59,485	29,133
F. John Deere Credit	342,271	-	(11,834)	330,437	330,437
	<u>1,595,469</u>	<u>-</u>	<u>(164,426)</u>	<u>1,431,043</u>	<u>488,743</u>
Other liabilities -					
Compensated Absences payable					
	1,437,371	43,066	-	1,480,437	-
	<u>\$18,219,287</u>	<u>\$ 3,293,066</u>	<u>\$ (3,714,225)</u>	<u>\$17,798,128</u>	<u>\$5,991,016</u>

made by the employer. The FRS provides for vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. Early retirement is available after six years of service with a five percent reduction in benefits for each year prior to the normal retirement age. Retirement benefits are based on age, average compensation, and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Florida Statutes Chapter 121, as may be amended from time to time by the state legislature, determines contribution rates for the various membership classes of the FRS. The FRS issues a publicly available financial report that includes financial statements, ten-year historical trend information and other required supplementary information. That report may be obtained by writing to the Department of Administration, Division of Retirement, Cedars Executive Center, Building C, 2639 North Monroe Street, Tallahassee, Florida 32399-1560.

Funding Policy - The FRS has the following classes of membership applicable to the Board with descriptions and contribution rates in effect during the period ended September 30, 2004, as follows (contribution rates are in agreement with the actuarially determined rates):

	<u>10/01/03 to 06/30/04</u>	<u>07/01/04 to 09/30/04</u>
<u>Regular Class</u> - Members not qualifying for other classes.	6.18%	7.39%
<u>Senior Management Service Class</u> - Members of senior management who do not elect the optional annuity management program.	8.16%	9.37%
<u>Special Risk Class</u> - Members employed as law enforcement officers, firefighters, or correctional officers and meet the criteria set to qualify for this class.	17.32%	18.53%
<u>Special Risk Administrative Support Class</u> - Special risk members who are transferred or re-assigned to non-special risk and meet the criteria.	8.71%	9.92%
<u>Elected County Officer's Class</u> - Certain elected county officials.	14.02%	15.23%
<u>Deferred Retirement Option Program</u> - Members who are eligible for normal retirement that have elected to participate in the deferred retirement option program.	8.00%	9.11%

Contributions to the FRS for the fiscal year ended September 30, 2004, were equal to 8.5% of the annual covered payroll. Contributions to the FRS for the fiscal years ended September 30, 2002, 2003, and 2004, were \$472,472, \$444,689, and \$527,889 respectively, which are equal to 100% of the required contribution for each year.

NOTE 14. CONTINGENT LIABILITIES

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

Litigation - The Board 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.

COMBINING FUND STATEMENTS

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2004

Revenue					Debt Service	Capital Projects		Total Nonmajor Governmental Funds
Law Enforcement Special	Law Library	Library Enhancement	Local Housing Assistance	Tourist Development Tax	Tourist Development	Fifth and Sixth Cent Fuel Tax	Courthouse Renovation	
\$ 70,085	\$ 9,497	\$ 548,889	\$ 383,400	\$ -	\$ 231,912	\$ -	\$ 1,315,032	\$3,214,181
-	-	-	-	-	10,948	-	-	17,264
34,236	-	-	-	-	54,910	-	627,234	10,948
1,224	-	1,164,433	35,552	-	41,820	-	374,751	746,241
<u>\$ 105,545</u>	<u>\$ 9,497</u>	<u>\$1,713,322</u>	<u>\$ 418,952</u>	<u>\$ -</u>	<u>\$ 339,590</u>	<u>\$ -</u>	<u>\$ 2,317,017</u>	<u>\$5,606,414</u>
\$ -	\$ -	\$ 30	\$ -	\$ 1,394	\$ -	\$ -	\$ 1,917	\$ 3,714
-	-	-	-	10,948	-	-	-	10,948
-	-	-	-	305	-	-	-	305
-	-	-	-	-	-	-	-	10,000
-	-	7	-	-	-	-	-	7
-	-	<u>37</u>	-	<u>12,647</u>	-	-	<u>1,917</u>	<u>24,974</u>
105,545	9,497	1,713,285	-	(12,647)	339,590	-	2,315,100	5,162,488
<u>105,545</u>	<u>9,497</u>	<u>1,713,285</u>	<u>418,952</u>	<u>(12,647)</u>	<u>339,590</u>	<u>-</u>	<u>2,315,100</u>	<u>5,581,440</u>
<u>\$ 105,545</u>	<u>\$ 9,497</u>	<u>\$1,713,322</u>	<u>\$ 418,952</u>	<u>\$ -</u>	<u>\$ 339,590</u>	<u>\$ -</u>	<u>\$ 2,317,017</u>	<u>\$5,606,414</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2004

Revenue					Debt Service	Capital Projects		Total
Law Enforcement Special	Law Library	Library Enhancement	Local Housing Assistance	Tourist Development Tax	Tourist Development	Fifth and Sixth Cent Fuel Tax	Courthouse Renovation	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 200,517	\$ 172,072	\$ -	\$ -	\$ 577,077
-	-	587,358	571,099	-	-	-	3,627,830	4,786,287
-	5,150	-	-	-	-	-	-	168,488
92,228	-	-	-	-	-	-	-	989,533
307	-	20,405	803	11,043	2,523	-	11,551	59,449
<u>92,535</u>	<u>5,150</u>	<u>607,763</u>	<u>571,902</u>	<u>211,560</u>	<u>174,595</u>	-	<u>3,639,381</u>	<u>6,580,834</u>
-	5,587	-	-	-	-	-	276,999	422,078
5,140	-	-	-	-	-	-	-	22,140
-	-	-	537,930	276,804	-	-	-	975,810
-	-	297,958	-	-	-	-	-	297,958
-	-	-	-	-	-	-	67,174	74,801
-	-	-	-	129,878	-	-	-	129,878
-	-	198,043	-	-	-	-	-	198,043
-	-	-	-	-	-	-	1,602,066	1,602,066
-	-	-	-	-	87,144	-	-	87,144
<u>5,140</u>	<u>5,587</u>	<u>496,001</u>	<u>537,930</u>	<u>406,682</u>	<u>87,144</u>	-	<u>1,946,239</u>	<u>3,809,918</u>
<u>87,395</u>	<u>(437)</u>	<u>111,762</u>	<u>33,972</u>	<u>(195,122)</u>	<u>87,451</u>	-	<u>1,693,142</u>	<u>2,770,916</u>
-	-	-	-	-	-	(533,015)	-	(533,015)
<u>(2,115)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,112,615)</u>
<u>(2,115)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(533,015)</u>	<u>-</u>	<u>(1,645,630)</u>
85,280	(437)	111,762	33,972	(195,122)	87,451	(533,015)	1,693,142	1,125,286
20,265	9,934	1,601,523	384,980	182,475	252,139	533,015	621,958	4,456,154
<u>\$105,545</u>	<u>\$ 9,497</u>	<u>\$1,713,285</u>	<u>\$ 418,952</u>	<u>\$ (12,647)</u>	<u>\$ 339,590</u>	<u>\$ -</u>	<u>\$2,315,100</u>	<u>\$ 5,581,440</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 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, 2004, and have issued our report thereon dated July 29, 2005. 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 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 Board of County Commissioners in a separate management letter dated July 29, 2005, on pages 2-72 - 2-73.

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 management letter dated July 29, 2005, on pages 2-72 - 2-73.

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

Certified Public Accountants

July 29, 2005

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, 2004, and have issued our report thereon dated July 29, 2005. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

Governmental Accounting Standards No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments (GASB 34) - In the prior years, we advised the Board that recent pronouncements by the Governmental Accounting Standards Board (GASB), with which the Board 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 beginning in 2002. Due to the fact that the County currently has in excess of \$100 million in fixed assets, we recommended that proper procedures be developed to implement this major forthcoming requirement. In addition to establishing depreciable lives and methods for the various classes of depreciable fixed assets, clear guidelines should also be established as to classifying items as depreciable fixed assets.

During the prior and current year, the Board fully implemented the current requirements of GASB 34 and developed proper financial information for the preparation of required financial statements. The Board now has until 2006 to implement the retroactive reporting of infrastructure assets. We commend the Board in fulfilling this major accounting requirement.

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

CURRENT YEAR FINDINGS

Travel - From our review of selected travel invoices, we found two instances where lodging was directly paid by the Board in advance, but actual hotel bills from travelers were not subsequently submitted to fully substantiate the lodging payments made. While such direct payments are clearly authorized by Section 112.061, *Florida Statutes*, it is necessary that actual lodging bills be reconciled with the advance payments and retained in the appropriate files.

District No. 1 - Ronald Williams
District No. 2 - Dewey Weaver
District No. 3 - George Skinner
District No. 4 - Jennifer Flinn
District No. 5 - Elizabeth Porter



BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY

October 4, 2005

William Monroe
Auditor General
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-12450

RE: Financial Report – Period Ending September 30, 2004
Columbia County, Florida

Dear Mr. Monroe:

The following responses are offered regarding the “Current Year Findings” as noted in the management letter of the above referenced report.

TRAVEL – Lodging paid in advance will be reconciled by requiring the traveler to submit a lodging bill upon return.

RECORDING OF GRANT REVENUE – In the future, all grant receipts shall be posted as revenue.

Sincerely,

A handwritten signature in cursive script that reads "Dale Williams".

Dale Williams
County Manager

DW/cnb

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

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

P. O. BOX 1529 ▼

LAKE CITY, FLORIDA 32056-1529 ▼

PHONE (386) 755-4100



Powell & Jones
Certified Public Accountants

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

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 755-4490

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, 2004, 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, 2004, 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 25, 2005, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on 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
July 25, 2005

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, 2004

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals (Memorandum Only)</u>
REVENUES			
Intergovernmental revenue	\$ 10,981	\$ 1,033	\$ 12,014
Charges for services	1,259,387	106,194	1,365,581
Miscellaneous	736	307	1,043
Total revenues	<u>1,271,104</u>	<u>107,534</u>	<u>1,378,638</u>
EXPENDITURES			
Current expenditures			
General government	1,842,575	88,906	1,931,481
Capital outlay			
General government	<u>72,232</u>	<u>25,106</u>	<u>97,338</u>
Total expenditures	<u>1,914,807</u>	<u>114,012</u>	<u>2,028,819</u>
Excess (deficiency) of revenues over expenditures	<u>(643,703)</u>	<u>(6,478)</u>	<u>(650,181)</u>
OTHER FINANCING SOURCES			
Transfer from Board of County Commissioners	<u>643,703</u>	<u>-</u>	<u>643,703</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	(6,478)	(6,478)
Fund balances at beginning of year	-	72,212	72,212
Fund balances at end of year	<u>\$ -</u>	<u>\$ 65,734</u>	<u>\$ 65,734</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, 2004

	General Fund			Special Revenue Funds		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
OTHER FINANCING SOURCES						
Interfund transfers in						
Transfer from Board of						
County Commissioners	\$ 727,700	\$ 643,703	\$ (83,997)	\$ -	\$ -	\$ -
Total other financing sources	<u>727,700</u>	<u>643,703</u>	<u>(83,997)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures	-	-	-	(6,478)	(6,478)	-
Fund balances at beginning of year	-	-	-	72,212	72,212	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,734</u>	<u>\$ 65,734</u>	<u>\$ -</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

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," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," 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, 2004, the Clerk maintained the following Special Revenue Funds:

Public Records Modernization Trust Fund
Teen Court Fund

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 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.

NOTE 3. PENSION PLAN

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

Funding Policy - The System is employee noncontributory. The Clerk is required to contribute at an actuarially determined rate. The rates at September 30, 2004 were as follows: Regular Employees 7.39%; Special Risk Employees 18.53%; Senior Management 9.37%; Elected Officials 15.23%. The contribution requirements of plan members and the Clerk are established and may be amended by the Florida Legislature. The Clerk's contributions to the System for the years ending September 30, 2004, 2003 and 2002 were \$120,532, \$81,895, and \$101,195, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2004, were:

COMBINING STATEMENTS

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL For the Fiscal Year Ended September 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental revenue			
Federal grants			
General government	\$ 30,000	\$ 10,981	\$ (19,019)
Charges for services			
General government			
Recording fees	292,000	203,987	(88,013)
Certification, copying, record search	330,800	205,115	(125,685)
County officers fees	70,971	83,507	12,536
Circuit Court fees	411,100	320,698	(90,402)
County Court fees	112,000	107,505	(4,495)
Court related revenue			
County Court criminal	36,861	69,771	32,910
Circuit Court criminal	62,517	62,517	-
County Court civil	46,790	46,790	-
Circuit Court civil	63,425	57,607	(5,818)
Traffic	88,268	88,268	-
Probate	13,622	13,622	-
Total charges for services	<u>1,528,354</u>	<u>1,259,387</u>	<u>(268,967)</u>
Miscellaneous			
Interest earnings			
Interest on investments	1,000	-	(1,000)
Other miscellaneous	-	736	736
Total miscellaneous	<u>1,000</u>	<u>736</u>	<u>(264)</u>
Total revenues	<u>1,559,354</u>	<u>1,271,104</u>	<u>(288,250)</u>
EXPENDITURES			
General government			
Financial and administrative			
Personal services	321,463	259,270	62,193
Operating expenses	<u>1,800</u>	<u>1,011</u>	<u>789</u>
Total financial and administrative	<u>323,263</u>	<u>260,281</u>	<u>62,982</u>
Clerk to Board of County Commissioners			
Personal services	65,319	70,184	(4,865)
Operating expenses	<u>450</u>	<u>-</u>	<u>450</u>
Total Clerk to Board of County Commissioners	<u>65,769</u>	<u>70,184</u>	<u>(4,415)</u>

(continued)

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Circuit civil			
Personal services	\$ 10,007	\$ 10,687	\$ (680)
Operating expenses	867	1,127	(260)
Capital outlay	<u>118</u>	<u>-</u>	<u>118</u>
Total circuit civil	<u>10,992</u>	<u>11,814</u>	<u>(822)</u>
Circuit family			
Personal services	32,686	38,311	(5,625)
Operating expenses	3,905	2,208	1,697
Capital outlay	<u>531</u>	<u>-</u>	<u>531</u>
Total circuit family	<u>37,122</u>	<u>40,519</u>	<u>(3,397)</u>
Circuit juvenile			
Personal services	11,159	11,900	(741)
Operating expenses	1,300	423	877
Capital outlay	<u>177</u>	<u>-</u>	<u>177</u>
Total circuit juvenile	<u>12,636</u>	<u>12,323</u>	<u>313</u>
Circuit probate			
Personal services	13,474	9,380	4,094
Operating expenses	<u>1,973</u>	<u>523</u>	<u>1,450</u>
Total circuit probate	<u>15,447</u>	<u>9,903</u>	<u>5,544</u>
County criminal			
Personal services	28,504	30,536	(2,032)
Operating expenses	3,472	2,300	1,172
Capital outlay	<u>472</u>	<u>-</u>	<u>472</u>
Total county criminal	<u>32,448</u>	<u>32,836</u>	<u>(388)</u>
County civil			
Personal services	6,019	6,351	(332)
Operating expenses	867	345	522
Capital outlay	<u>118</u>	<u>-</u>	<u>118</u>
Total county civil	<u>7,004</u>	<u>6,696</u>	<u>308</u>
County traffic			
Personal services	33,153	26,727	6,426
Operating expenses	4,338	2,695	1,643
Capital outlay	<u>590</u>	<u>-</u>	<u>590</u>
Total county traffic	<u>38,081</u>	<u>29,422</u>	<u>8,659</u>
Total expenditures	<u>2,287,054</u>	<u>1,914,807</u>	<u>372,247</u>

(continued)

SPECIAL REVENUE FUNDS

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
PUBLIC RECORDS MODERNIZATION TRUST FUND**

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

For the Fiscal Year Ended September 30, 2004

	<u>Public Records Modernization Trust</u>	<u>Teen Court</u>	<u>Totals</u>
REVENUES			
Intergovernmental Revenue			
State grants			
Public safety	\$ -	\$ 1,033	\$ 1,033
Charges for services			
General government			
Recording of			
legal instruments	76,198	-	76,198
County court fees	-	29,996	29,996
Total charges for services	<u>76,198</u>	<u>29,996</u>	<u>106,194</u>
Miscellaneous			
Interest earnings			
Interest on investments	-	57	57
Contributions and donations	-	250	250
Total miscellaneous	<u>-</u>	<u>307</u>	<u>307</u>
Total revenues	<u>76,198</u>	<u>31,336</u>	<u>107,534</u>
EXPENDITURES			
General government			
Financial and administrative			
Operating expenses	45,233	-	45,233
Capital outlay	25,106	-	25,106
Total financial and administrative	<u>70,339</u>	<u>-</u>	<u>70,339</u>
Judicial			
Operating expenses	-	43,673	43,673
Total expenditures	<u>70,339</u>	<u>43,673</u>	<u>114,012</u>
Excess of revenues over expenditures	5,859	(12,337)	(6,478)
Fund balances at beginning of year	58,501	13,711	72,212
Fund balances at end of year	<u>\$ 64,360</u>	<u>\$ 1,374</u>	<u>\$ 65,734</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, 2004

	<u>Balance</u> <u>Oct. 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Sept. 30, 2004</u>
TRUST FUND				
Assets				
Cash	\$ 1,049,631	\$ 8,465,410	\$ 8,655,081	\$ 859,960
Dishonored checks receivable	<u>3,687</u>	<u>28,077</u>	<u>26,957</u>	<u>4,807</u>
Total assets	<u>\$1,053,318</u>	<u>\$8,493,487</u>	<u>\$8,682,038</u>	<u>\$ 864,767</u>
Liabilities				
Due to other funds	\$ 65,363	\$ 1,067,159	\$ 968,292	\$ 164,230
Due to other governmental units	511,222	5,385,790	5,594,134	302,878
Suspense	46,550	139,500	116,876	69,174
Court liability fees payable	340,485	1,585,466	1,697,716	228,235
Juvenile installments	5,364	22,893	26,035	2,222
Tax deed sales	62,629	125,265	103,661	84,233
Installments payable	7,318	-	-	7,318
Other current liabilities	<u>14,387</u>	<u>34,019</u>	<u>41,929</u>	<u>6,477</u>
Total liabilities	<u>\$1,053,318</u>	<u>\$8,360,092</u>	<u>\$8,548,643</u>	<u>\$ 864,767</u>
EMPLOYEE RETIREMENT COMPENSATION TRUST FUND				
Assets				
Cash	<u>\$ 1,236</u>	<u>\$ 12</u>	<u>\$ 1,248</u>	<u>\$ -</u>
Liabilities				
Retirement funds payable	<u>\$ 1,236</u>	<u>\$ 12</u>	<u>\$ 1,248</u>	<u>\$ -</u>
COURT REPORTING PAYROLL TRUST FUND				
Assets				
Cash	<u>\$ 27,826</u>	<u>\$ 193,908</u>	<u>\$ 207,018</u>	<u>\$ 14,716</u>
Liabilities				
Due to other governmental units	<u>\$ 27,826</u>	<u>\$ 193,908</u>	<u>\$ 207,018</u>	<u>\$ 14,716</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**

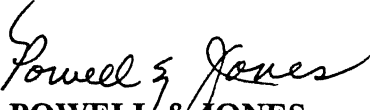
To the Clerk of the Circuit Court
Columbia County, Florida

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, 2004, and have issued our report thereon dated July 25, 2005. 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*.

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
July 25, 2005

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, 2004, and have issued our report thereon dated July 25, 2005. 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

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings during the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2004. 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 had met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(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.

Requirements of Section 28.35, Florida Statutes - For the fiscal year ended September 30, 2004, the Clerk complied with the following:

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

P. DeWitt Cason

Clerk of Circuit Court - Columbia County, Florida



September 21, 2005

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

Dear Mr. Powell:

This letter is to confirm that I have received the Management Letter, prepared by your firm, for our financial statement audit for the fiscal year ended September 30, 2004.

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

Sincerely,

P. DeWitt Cason
Columbia County Clerk of Courts



Powell & Jones
Certified Public Accountants

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

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 755-4490

INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser
Columbia County, Florida

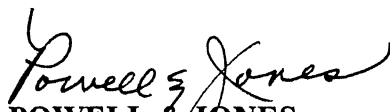
We have audited the accompanying special purpose financial statements of the Columbia County Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2004, as listed in the table of contents. These special purpose financial statements are the responsibility of the Property 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, 2004, 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 15, 2005, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 15, 2005

COMBINED 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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental revenue			
Grants from other local units			
GIS mapping grant	\$ -	\$ 5,000	\$ 5,000
Charges for services			
General government			
County officer fees			
Lake Shore Hospital Authority	69,795	69,795	-
Columbia County Industrial Development Authority	6,364	6,364	-
Suwannee River Water Management District	<u>22,864</u>	<u>22,864</u>	<u>-</u>
Total charges for services	<u>99,023</u>	<u>99,023</u>	<u>-</u>
Miscellaneous			
Interest earnings			
Interest County Officers Property Appraiser	-	2,410	2,410
Other miscellaneous	<u>-</u>	<u>4,861</u>	<u>4,861</u>
Total miscellaneous	<u>-</u>	<u>7,271</u>	<u>7,271</u>
Total revenues	<u>99,023</u>	<u>111,294</u>	<u>12,271</u>
EXPENDITURES			
General government			
Financial and administrative			
Personal services	802,756	781,290	21,466
Operating expenses	138,535	142,151	(3,616)
Capital outlay	1,675	1,478	197
Debt service	<u>40,050</u>	<u>40,048</u>	<u>2</u>
Total expenditures	<u>983,016</u>	<u>964,967</u>	<u>18,049</u>
Excess (deficiency) of revenues over expenditures	<u>(883,993)</u>	<u>(853,673)</u>	<u>30,320</u>
OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	<u>883,993</u>	<u>853,673</u>	<u>(30,320)</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

PROPERTY APPRAISER

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

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," as amended by GASB 39, "Determining Whether Certain Organizations are Component Units an Amendment of GASB Statement 14," 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 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 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.

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

Funding Policy - The System is employee noncontributory. The Property Appraiser is required to contribute at an actuarially determined rate. The rates at September 30, 2004 were as follows: Regular Employees 7.39%; Special Risk Employees 18.53%; Senior Management 9.37%; Elected Officials 15.23%. 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, 2004, 2003 and 2002 were \$51,563, \$35,021, and \$49,342, respectively, equal to the required contributions for each year.

NOTE 4. LONG-TERM DEBT

Note Payable - The Property Appraiser has an installment payment agreement with ACS Government for a scanner. The agreement is being paid in thirty-six monthly installments of \$3,337, including interest at 7.5%.

Annual debt service requirements to maturity for this note, including interest of \$294, is as follows:

Year Ending <u>September 30,</u> 2005	<u>\$33,373</u>
---	-----------------

Changes in Long-Term Liabilities - During the year ended September 30, 2004, the following occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>10/01/03</u>	<u>Additions</u>	<u>Retirement</u>	<u>Balance</u> <u>09/30/04</u>
Note payable	<u>\$ 69,162</u>	<u>\$ -</u>	<u>\$ (36,083)</u>	<u>\$ 33,079</u>

NOTE 5. OPERATING LEASE

The Property Appraiser has an installment payment agreement with Canon Financial Services, Inc. for a microfilm reader. The agreement is being paid in sixty monthly installments of \$470.

Year Ending <u>September 30,</u>	
2005	\$ 5,644
2006	5,644
2007	5,644
2008	5,644
2009	3,763
	<u>\$26,339</u>

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, 2004, and have issued our report thereon dated July 15, 2005. 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. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the Columbia County Property Appraiser in a separate letter dated July 15, 2005, on pages 4 - 8 and 4 - 9

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 15, 2005

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, 2004, and have issued our report thereon dated July 15, 2005. 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 cleared during the current year.

CURRENT YEAR FINDINGS

Cash Receipts - From our tests of selected cash receipts in the current year, we found minor instances where the description on the receipt was inadequate to support the amount collected. To strengthen the audit trail over cash receipts, we recommend that all receipts be adequately detailed to substantiate the amount collected.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2004. The financial statements of the Property Appraiser are combined with other County agencies in that report.

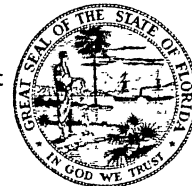
Investment of Public Funds - The Property Appraiser complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the fiscal year.

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

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(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.

J. DOYLE CREWS

PROPERTY APPRAISER - COLUMBIA COUNTY, FLORIDA



September 21, 2005

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

RE: Management Letter-Audit for Fiscal Year Ended September 30,2004

Dear Richard;

Thank you for the Management letter regarding the audit your office conducted on the Columbia County Property Appraiser's office for fiscal year ending September 30,2004.

I have noted the Current Year Findings in reference to Cash Receipts.

I have discussed this matter with the personnel handling cash receipts deposits and beginning immediately changes will be implemented to remedy the problem. A detailed description of each transaction will be noted on the receipt to substantiate the amount collected.

I believe this will satisfy your recommendations for strengthening the audit trail over cash receipts.

Thank you for your recommendation and please call me if you feel this matter requires further attention.

Sincerely,

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

J.Doyle Crews, CFA
Property Appraiser

JDC/mm
Cc: Dale Williams, County Manager



Powell & Jones
Certified Public Accountants

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

1359 S.W. Main Blvd.
Lake City, Florida 32025
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, 2004, 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.

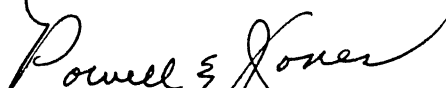
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and 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, 2004, 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 December 30, 2004, 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
December 30, 2004

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, 2004

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals (Memorandum Only)</u>
REVENUES			
Intergovernmental revenue	\$ 124,754	\$ -	\$ 124,754
Charges for services	155,248	185,000	340,248
Fines and forfeitures	-	246,629	246,629
Miscellaneous	-	64,929	64,929
Total revenues	<u>280,002</u>	<u>496,558</u>	<u>776,560</u>
EXPENDITURES			
Current Expenditures			
Public safety	9,424,534	402,674	9,827,208
Capital Outlay			
Public safety	272,970	61,853	334,823
Total expenditures	<u>9,697,504</u>	<u>464,527</u>	<u>10,162,031</u>
Excess (deficiency) of revenues over expenditures	<u>(9,417,502)</u>	<u>32,031</u>	<u>(9,385,471)</u>
OTHER FINANCING SOURCES			
Transfers in from Board of County Commissioners	<u>9,417,502</u>	<u>3,850</u>	<u>9,421,352</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	35,881	35,881
Fund balances at beginning of year	<u>-</u>	<u>152,855</u>	<u>152,855</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 188,736</u>	<u>\$ 188,736</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, 2004

	<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	\$ -	\$ -	\$ -	\$ 35,881	\$ 35,881	\$ -
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,855</u>	<u>152,855</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 188,736</u>	<u>\$ 188,736</u>	<u>\$ -</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

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," as amended by GASB 39 "Determining Whether Certain Organizations are Component Units an Amendment of GASB Statement 14," 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 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 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, 2004, the Sheriff maintained the following Special Revenue Funds:

Minimum Standards School
Forfeiture
Inmate Welfare
Forfeiture - Non Grant
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, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following Agency Funds are maintained by the Sheriff:

Inmate Trust
Bond and Fine Trust

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 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:

	Balance 10/01/03	Additions	Deletions	Balance 09/30/04
Equipment	<u>\$ 3,449,493</u>	<u>\$ 334,823</u>	<u>\$ (146,595)</u>	<u>\$ 3,637,721</u>

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 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 Sheriff is required to contribute at an actuarially determined rate. The rates at September 30, 2004 were as follows: Regular Employees 7.39%; Special Risk Employees 18.53%; Senior Management 9.37%; Elected Officials 15.23%. The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2004, 2003 and 2002 were \$836,392, \$714,771, and \$755,750, respectively, equal to the required contributions for each year.

NOTE 5. CONTINGENT LIABILITIES

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

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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental revenue			
Federal grants			
Public safety			
Local Law Enforcement Block	\$ -	\$ 124,754	\$ 124,754
Charges for services			
Public safety			
Police services	131,102	155,246	24,144
Miscellaneous			
Other miscellaneous	-	<u>2</u>	<u>2</u>
Total revenue	<u>131,102</u>	<u>280,002</u>	<u>148,900</u>
EXPENDITURES			
Public safety			
VOCA grant			
Personal services	30,541	30,541	-
Operating expenses	<u>3,183</u>	<u>3,183</u>	-
Total VOCA grant	<u>33,724</u>	<u>33,724</u>	-
Records and evidence			
Personal services	120,492	120,492	-
Operating expenses	<u>18,692</u>	<u>18,692</u>	-
Total records and evidence	<u>139,184</u>	<u>139,184</u>	-
Block Grant			
Capital outlay	<u>130,237</u>	<u>130,237</u>	-
Public safety			
Personal services	439,706	439,706	-
Operating expenses	<u>84,847</u>	<u>84,847</u>	-
Total public safety	<u>524,553</u>	<u>524,553</u>	-
COPS grant			
Personal services	<u>93,557</u>	<u>93,557</u>	-
STOP grant			
Personal services	19,893	19,893	-
Operating expenses	<u>1,422</u>	<u>1,422</u>	-
Total STOP grant	<u>21,315</u>	<u>21,315</u>	-
Multi-Jurisdictional Task Force Grant			
Personal services	138,747	138,747	-
Operating expenses	9,548	9,548	-
Capital outlay	<u>27,807</u>	<u>27,807</u>	-
Total Multi-Jurisdictional Task Force Grant	<u>176,102</u>	<u>176,102</u>	-

(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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Excess (deficiency) of revenues over expenditures	<u>\$(9,417,502)</u>	<u>\$(9,417,502)</u>	<u>\$ -</u>
OTHER FINANCING SOURCES			
Interfund transfers in Transfers from Board of County Commissioners	<u>9,417,502</u>	<u>9,417,502</u>	<u>-</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 STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

For the Fiscal Year Ended September 30, 2004

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Non Grant</u>	<u>Work Program</u>	<u>Totals</u>
REVENUES						
Charges for services						
Public safety						
Other public safety charges	\$ -	\$ -	\$185,000	\$ -	\$ -	\$185,000
Fines and forfeitures						
Court cases						
Confiscated property	-	2,941	-	216,912	-	219,853
Law enforcement education	26,776	-	-	-	-	26,776
Total fines and forfeitures	<u>26,776</u>	<u>2,941</u>	<u>-</u>	<u>216,912</u>	<u>-</u>	<u>246,629</u>
Miscellaneous						
Interest earnings						
Interest on investments	104	101	286	1,304	141	1,936
Other miscellaneous						
Telephone commissions jail	-	-	54,385	-	-	54,385
Other miscellaneous	441	-	360	375	7,432	8,608
Total miscellaneous	<u>545</u>	<u>101</u>	<u>55,031</u>	<u>1,679</u>	<u>7,573</u>	<u>64,929</u>
Total revenues	<u>27,321</u>	<u>3,042</u>	<u>240,031</u>	<u>218,591</u>	<u>7,573</u>	<u>496,558</u>
EXPENDITURES						
Public safety						
Sheriff-Public Safety						
Operating expenses	27,976	7,647	-	154,569	-	190,192
Capital outlay	-	8,943	-	20,534	-	29,477
Total public safety	<u>27,976</u>	<u>16,590</u>	<u>-</u>	<u>175,103</u>	<u>-</u>	<u>219,669</u>

(continued)

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2004

	<u>Balance</u> <u>Oct. 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Sept. 30, 2004</u>
INMATE TRUST FUND				
Assets				
Cash	\$ <u>100,573</u>	\$ <u>250,816</u>	\$ <u>282,515</u>	\$ <u>68,874</u>
Liabilities				
Due to individuals	\$ 8,248	\$ -	\$ 354	\$ 7,894
Other current liabilities	92,325	251,170	282,515	60,980
Total liabilities	<u>\$ 100,573</u>	<u>\$ 251,170</u>	<u>\$ 282,869</u>	<u>\$ 68,874</u>
 BOND AND FINE TRUST FUND				
Assets				
Cash	\$ <u>95,139</u>	\$ <u>473,969</u>	\$ <u>414,222</u>	\$ <u>154,886</u>
Liabilities				
Cash bonds liability	\$ 85,193	\$ 386,621	\$ 319,479	\$ 152,335
Individual depositors liability	-	7,815	7,815	-
Due to other governmental units	9,946	79,534	86,929	2,551
Total liabilities	<u>\$ 95,139</u>	<u>\$ 473,970</u>	<u>\$ 414,223</u>	<u>\$ 154,886</u>
 TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ <u>195,712</u>	\$ <u>724,785</u>	\$ <u>696,737</u>	\$ <u>223,760</u>
Liabilities				
Cash bonds liability	\$ 85,193	\$ 386,621	\$ 319,479	\$ 152,335
Individual depositors liability	-	7,815	7,815	-
Due to individuals	8,248	-	354	7,894
Due to other governmental units	9,946	79,534	86,929	2,551
Other current liabilities	92,325	251,170	282,515	60,980
Total liabilities	<u>\$ 195,712</u>	<u>\$ 725,140</u>	<u>\$ 697,092</u>	<u>\$ 223,760</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**

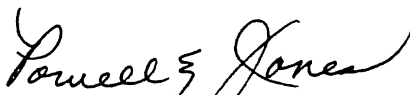
To the Sheriff
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Sheriff, as of and for the year ended September 30, 2004, and have issued our report thereon dated December 30, 2004. 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 December 30, 2004, on pages 5-19 - 5-20.

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 December 30, 2004, on pages 5-19 - 5-20.

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
December 30, 2004

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, 2004, and have issued our report thereon dated December 30, 2004. 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

Inmate Trust Deposits - From our audit of transactions relating to the Inmate Trust accounts in the prior and current year, we found that a monthly report of inmate balances is not regularly run and reconciled to the actual bank account balance. We again recommend that a report of individual inmate balances be run monthly and reconciled to the overall account balance. Any variances should be investigated and resolved.

Inmate Trust Funds - From our audit of transactions relating to the Inmate Trust accounts in the prior year, we found that transfers totaling \$170,000 were made from the Inmate Trust Fund, which accounts for individual inmate cash accounts and transactions and profits related to the inmate commissary operation; to the Inmate Welfare Fund which is currently utilized for various inmate-related operating and capital expenditures.

From information provided us by the Sheriff's Office, we have concluded that of the \$170,000 in transferred funds, approximately \$142,000 related to the commissary operations and \$28,000 appears to have been from charges to inmates for medical and meal services. However, no verifiable documentation was available to substantiate that these funds did not include undisbursed or unclaimed inmate cash account balances.

Section 116.21, *Florida Statutes*, provides that the Sheriff is authorized to pay into the County Fine and Forfeiture Fund any and all unclaimed moneys deposited or collected by him in his official capacity under specific provisions that include annually publishing a list of unclaimed funds and allowing a specified time period for individuals to file claims for funds due to them.

There is no statutory authorization for the direct transfer and subsequent office expenditure of unclaimed inmate funds directly transferred from the Inmate Trust Fund to the Inmate Welfare Fund. We recommend that the Sheriff review these transactions and refund to the Inmate Welfare Fund any inappropriately transferred amounts.

To prevent such occurrences in the future, we recommended that commissary-related transactions be computed and transferred monthly to the Inmate Welfare Fund. In the current year, staff has initiated procedures to document the transfers of these funds as transferred quarterly.



Bill Gootee, Sheriff

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

Communications 752-3222
Administration 752-9212
Jail 755-7000

July 18, 2005

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

Dear Mr. Powell,

We have reviewed the audit report of the financial activities for the Office of Sheriff fiscal year ending, September 30, 2004, and the related management comments.

Let me start out by saying that I took office as Sheriff of Columbia County on January 4, 2005, so I am responding to findings of a previous administration, but would like to address them as follows:

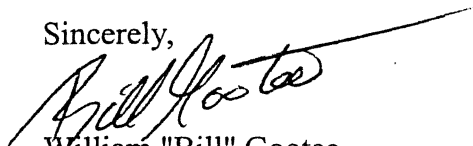
Inmate Trust Deposits - I understand this has been a concern for quite some time, and feel confident this can be addressed by further intensifying a reconciliation of the inmate and cash balances. We have contacted our current software vendor to obtain an enhancement to our existing program which should produce the necessary reports for control purposes.

Compensatory Time - After taking office in January 2005, we have brought the compensatory hours to compliance levels with the Fair Labor Standards Act and we are making revisions to the existing policies.

As far as the current year findings on bank deposits with the Bond & Fine Trust funds, and as statutorily allowed, we have turned this account over to Mr. DeWitt Cason, Clerk of Courts to administer and streamline the bond process.

I feel confident that this office will continue to operate smoothly and efficiently as we strive to move forward.

Sincerely,



William "Bill" Gootee
Sheriff, Columbia County

Thank you for registering

Registration Complete

You have successfully registered for the following Webinar:

Drug Free Workplace Law in the Public Sector
Tuesday, June 28, 2011 10:00 AM - 11:30 AM EDT

[Add to your Outlook calendar.](#)

A confirmation email has been sent to you.

1. At the time above, click this link to join the Webinar:
<https://www1.gotomeeting.com/join/328859744/106750753>

This link **should not be shared** with others; it is unique to you.

2. Join the conference call:

Dial: 1-888-850-4523
Access Code: 233395

Webinar ID: 328-859-744

System Requirements

PC-based attendees
Required: Windows® 7, Vista, XP or 2003 Server

Macintosh®-based attendees
Required: Mac OS® X 10.4.11 (Tiger®) or newer



Powell & Jones
Certified Public Accountants

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

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 755-4490

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, 2004, 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, 2004, 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 November 19, 2004, on our consideration of the Supervisor of Elections internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts 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
November 19, 2004

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental revenue			
Federal grants			
General government	\$ 10,283	\$ 10,283	\$ -
Miscellaneous			
Interest earnings			
Interest on investments	81	81	-
Other miscellaneous	<u>5,690</u>	<u>5,690</u>	<u>-</u>
Total miscellaneous	<u>5,771</u>	<u>5,771</u>	<u>-</u>
Total revenues	<u>16,054</u>	<u>16,054</u>	<u>-</u>
EXPENDITURES			
General government			
Other general government			
Personal services Supervisor	257,271	259,247	(1,976)
Operating expenses Supervisor	9,171	8,483	688
Operating expenses Elections	<u>238,317</u>	<u>217,721</u>	<u>20,596</u>
Total expenditures	<u>504,759</u>	<u>485,451</u>	<u>19,308</u>
Excess (deficiency) of revenues over expenditures	<u>(488,705)</u>	<u>(469,397)</u>	<u>19,308</u>
OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	<u>488,705</u>	<u>469,397</u>	<u>(19,308)</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

SUPERVISOR OF ELECTIONS

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

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," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," 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.

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

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, 2004, were as follows: Regular Employees 6.18%; Special Risk Employees 17.32%; Senior Management 8.16%; Elected Officials 14.02%. 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, 2004, 2003 and 2002 were \$18,832, \$14,300, and \$18,386, 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 \$28,842. The agreement is being paid in sixty monthly installments of \$634, including interest at 11.5%.

Annual debt service requirements to maturity for this note, including interest of \$1,681 is as follows:

<u>Year Ending</u> <u>September 30,</u>	
2005	\$ 7,612
2006	<u>7,612</u>
	<u>\$15,224</u>

Changes in Long-Term Liabilities - During the year ended September 30, 2004, the following occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>10/01/03</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>09/30/04</u>
Note payable	<u>\$ 13,543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$13,543</u>

The Supervisor of Elections paid ahead of schedule in prior years and, therefore, did not make any payments in fiscal year ending September 30, 2004.

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**

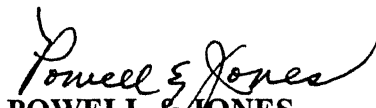
To the Supervisor of Elections
Columbia County, Florida

We have audited the special purpose financial statements of the Columbia County Supervisor of Elections, as of and for the year ended September 30, 2004, and have issued our report thereon dated November 19, 2004. 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*.

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.

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
November 19, 2004

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, 2004, and have issued our report thereon dated November 19, 2004. 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

The prior year finding was corrected during the current year.

CURRENT YEAR FINDINGS

There were no additional reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

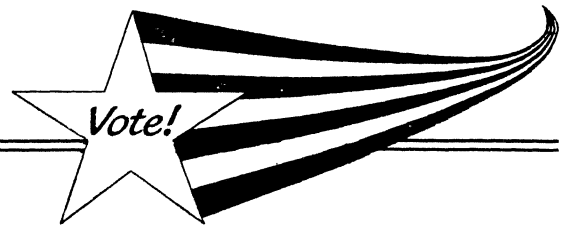
Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2004. The financial statements of the Supervisor of Elections are combined with other County agencies in that report.

Investment of Public Funds - The Supervisor of Elections 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 Supervisor of Elections had met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Elizabeth P. Horne

SUPERVISOR OF ELECTIONS, COLUMBIA COUNTY



September 21, 2005

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

Re: Annual Financial Report, Supervisor of Elections Fiscal Year ending September 30, 2004.

Dear Mr. Powell:

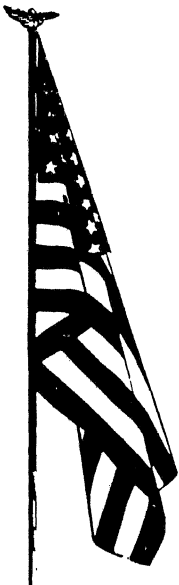
We have received the Columbia County, Florida Supervisor of Elections Annual Financial Report for the fiscal year ending September 30, 2004.

We respectfully accept this Report.

Sincerely,

Elizabeth P. Horne
EPH/jl

cc: Auditor General, State of Fl.



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



Powell & Jones
Certified Public Accountants

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

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 755-4490

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, 2004, 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, 2004, 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 January 7, 2005, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts 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
January 7, 2005

COMBINED 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, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for services			
General government			
County officer commissions and fees			
Professional and occupational	\$ 11,664	\$ 11,664	\$ -
Motor vehicle fees	350,811	350,811	-
Other licenses and permits	5,433	5,433	-
State commissions	360	360	-
County commissions	412,903	412,903	-
Tax commissions			
Columbia County Industrial Development Authority	3,710	3,710	-
Tax commissions Suwannee River Water Management District	13,330	13,330	-
Tax commissions Lake Shore Hospital Authority	40,745	40,745	-
Other tax commissions	5,279	5,279	-
Delinquent tax commissions	121,171	121,171	-
Miscellaneous commissions	38,043	3,455	(34,588)
Commissions special assessments	69,450	69,450	-
Advertising collections	4,439	4,439	-
Special assessment administrative fees	<u>67,192</u>	<u>67,192</u>	-
Total charges for services	<u>1,144,530</u>	<u>1,109,942</u>	<u>(34,588)</u>
Miscellaneous			
Interest earnings			
Interest county officers Tax Collector	5,215	5,213	(2)
Total revenues	<u>1,149,745</u>	<u>1,115,155</u>	<u>(34,590)</u>

(continued)

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

NOTES TO FINANCIAL STATEMENTS

September 30, 2004

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," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," 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 entity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Tax Collector are as follows:

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

(ii) **Fiduciary 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.

Ad Valorem Tax Fund
Tag Agency Fund

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 Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Tax Collector directly purchases insurance and participates in the risk management program through the 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 Tax Collector contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee noncontributory. The Tax Collector is required to contribute at an actuarially determined rate. The rates at September 30, 2004 were as follows: Regular Employees 7.39%; Special Risk Employees 18.53%; Senior Management 9.37%; Elected Officials 15.23%; Deferred Retirement Option Program (DROP) 9.11%. The contribution requirements of plan members and the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2004, 2003 and 2002 were \$58,947, \$44,712, and \$83,753, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2004, were:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 27,334	\$ 135
Ad Valorem Tax Fund	109	24,864
Tag Agency Fund	26	2,470
	<u>\$ 27,469</u>	<u>\$ 27,469</u>

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, 2004

TAG AGENCY FUND	<u>Balance Oct. 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Sept. 30, 2004</u>
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$1,070,117	\$51,461,621	\$51,459,141	\$ 1,072,597
Dishonored checks receivable	459	79,011	78,589	881
Due from other funds	76	135	76	135
Total assets	<u>\$1,070,652</u>	<u>\$51,540,767</u>	<u>\$51,537,806</u>	<u>\$ 1,073,613</u>
Liabilities				
Due to the Board of County Commissioners	\$ 422,594	\$13,295,344	\$13,436,733	\$ 281,205
Due to other funds	20,198	680,492	673,356	27,334
Due to other governmental units	461,088	36,541,304	36,341,625	660,767
Escrow funds payable	996	150,582	149,428	2,150
Due to individuals	110,856	3,001,337	3,058,770	53,423
Occupational licenses payable	51,030	64,912	70,950	44,992
Interest payable	1,994	22,691	23,248	1,437
Other current liabilities	1,896	141,821	141,412	2,305
Total liabilities	<u>\$1,070,652</u>	<u>\$53,898,483</u>	<u>\$53,895,522</u>	<u>\$ 1,073,613</u>

See notes to financial statements.