

COLUMBIA COUNTY,
FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

COLUMBIA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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INTRODUCTORY SECTION

COLUMBIA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2007

<u>Title</u>	<u>Name</u>
Board of County Commissioners	
District I	Ronald Williams
District II	Dewey Weaver
District III	George Skinner
District IV	Stephen E. Bailey
District V	Elizabeth Porter
County Attorney	Marlin M. Feagle
Clerk of Circuit Court	P. DeWitt Cason
Property Appraiser	J. Doyle Crews
Sheriff	William Gootee
Supervisor of Elections	Elizabeth P. Horne
Tax Collector	Ronnie Brannon

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

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, 2007, 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, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated June 27, 2008, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 10 through 17 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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

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

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

POWELL & JONES
Certified Public Accountants
June 27, 2008

COLUMBIA COUNTY, FLORIDA
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2007

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2007. 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, 2007.

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 statement of activities presents information on all revenues and expenses of the County and the change in net assets. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the County. To assist in

understanding the County's operations, expenses have been reported as governmental activities or business-type activities. Governmental activities financed by the County include public safety, physical environment, transportation, economic environment, human services, culture and recreation, and general government services. Business-type activities financed by user charges include the landfill operation.

Fund financial statements

A fund is a separate accounting entity with a self-balancing set of accounts, and is used to maintain control over resources that have been segregated for specific activities or objectives in accordance with special regulations, restrictions, or limitations. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

Proprietary fund financial statements provide information on all assets and liabilities of the fund, changes in the economic resources (revenues and expenses), and total economic resources.

Fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all governmental funds. A statement of revenues, expenditures, and changes in fund balances - budget and actual, is provided for the County's general fund and major special revenue, capital projects, and debt service funds as required supplementary information. For the proprietary funds, which includes business-type activities, a statement of net assets; a statement of revenues, expenses, and changes in fund net assets; and a statement of cash flows are presented. A combining statement of fiduciary net assets is presented for the County's agency funds.

Fund financial statements provide more detailed information about the County's activities. Individual funds are established by the County to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

The government-wide financial statements and the fund financial statements provide different pictures of the County. The government-wide financial statements provide an overall picture of the County's financial standing, split between governmental activities and business-type activities. These statements are comparable to private-sector companies and give a good understanding of the County's overall financial health and how the County paid for the various activities, or functions, provided by the County. All assets of the County, including buildings, land, roads, and bridges and reported in the statement of net assets. All liabilities, including principal outstanding on bonds, landfill closure liabilities, and future employee benefits obligated but not paid by the County, are included. The statement of activities includes depreciation on all long lived assets of the County, but transactions between the different functions of the County have been eliminated in order to avoid "doubling up" the revenues and expenses.

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 \$160,513,672 (net assets). Unrestricted net assets for governmental activities were \$20,063,065, and for business-type activities were \$4,535,306. Governmental Activities restricted net assets were \$15,719,142, and were \$-0- for Business-type Activities.

Total net assets increased by \$8,701,536. Of that amount, \$8,530,124 is attributable to Governmental Activities and Business-type Activities \$171,412.

Governmental Funds revenues increased by \$9,343,118 to \$65,370,849. This 17% increase in revenue was due primarily to overall revenue increases during the year. Governmental Fund expenditures likewise increased by \$9,088,577 to \$65,004,818. This increase in expenditures of 16% was primarily due to overall increases in County services during the prior year.

Business-type activities revenues increased 7% to \$2,984,017, while business-type expenses increased 7% to \$2,984,017. The increase in revenue was attributable to greater tonnage and increased interest earnings.

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, 2007, the assets of the County exceed liabilities by \$160,573,672.

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

Net Assets

	Governmental Activities	Business-type Activities	Total Government	
			2007	2006
Assets				
Current assets	\$ 37,493,242	\$ 8,695,865	\$ 46,189,107	\$ 42,097,348
Restricted assets	-	4,121,141	4,121,141	3,936,497
Noncurrent assets	125,317,042	6,429,820	131,746,862	111,591,661
Total assets	<u>162,810,284</u>	<u>19,246,826</u>	<u>182,057,110</u>	<u>157,625,506</u>
Liabilities				
Current liabilities (payable from current assets)	1,711,035	144,865	1,855,900	1,531,530
Current liabilities (payable from restricted assets)	-	435,000	435,000	415,000
Noncurrent liabilities	8,818,320	10,434,218	19,252,538	19,169,762
Total liabilities	<u>10,529,355</u>	<u>11,014,083</u>	<u>21,543,438</u>	<u>21,116,292</u>
Net assets				
Net assets invested in capital assets, net of related debt	116,498,722	3,697,437	120,196,159	98,713,087
Net assets - restricted	15,719,142	-	15,719,142	14,877,723
Net assets - unrestricted	<u>20,063,065</u>	<u>4,535,306</u>	<u>24,598,371</u>	<u>22,918,404</u>
	<u>\$ 152,280,929</u>	<u>\$ 8,232,743</u>	<u>\$ 160,513,672</u>	<u>\$ 136,509,214</u>

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

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

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

Changes in Net Assets

	Governmental	Business-type	Total Government	
	Activities	Activities	2007	2006
Revenues:				
Program revenues				
Charges for services	\$ 14,744,083	\$ 2,231,266	\$ 16,975,349	\$ 14,912,255
Operating grants/ contributions	1,846,642	191,176	2,037,818	2,671,363
Capital grants/contributions	5,782,664	-	5,782,664	2,103,007
General revenues				
Property taxes	20,173,293	-	20,173,293	15,745,083
Sales and use taxes	11,048,031	-	11,048,031	10,982,048
Federal and State shared revenues	8,970,174	-	8,970,174	8,697,742
Interest	1,856,126	557,590	2,413,716	2,045,231
Other	1,242,799	3,985	1,246,784	1,653,158
Total revenues	65,663,812	2,984,017	68,647,829	58,809,887
Expenses:				
General government	11,959,554	-	11,959,554	11,276,089
Public safety	20,906,251	-	20,906,251	20,530,027
Physical environment	4,578,528	2,812,605	7,391,133	5,734,566
Transportation	12,402,594	-	12,402,594	5,516,212
Economic environment	2,188,589	-	2,188,589	1,552,302
Human services	2,604,827	-	2,604,827	2,328,492
Culture/recreation	2,222,763	-	2,222,763	1,914,487
Interest on long-term debt	270,582	-	270,582	351,021
Total expenses	57,133,688	2,812,605	59,946,293	49,203,196
Increase in net assets	\$ 8,530,124	\$ 171,412	\$ 8,701,536	\$ 9,606,691

Property taxes provide 31% of the revenues for Governmental Activities, while sales taxes provide 17%. Most of the Governmental Activities resources are spent for Public Safety (37%), General Government (21%), Transportation (22%), and Physical Environment (8%).

FUND FINANCIAL INFORMATION

Governmental Funds

General Fund

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County Ordinances or other externally imposed requirements. As of September 30, 2007, total assets were \$19,063,995 and total liabilities were \$6,145,785. The ending fund balance was \$12,918,210, \$2,417,209 of which is designated for specified projects.

During the year ended September 30, 2007, total revenues, \$26,142,670, exceeded total expenditures, \$12,798,575, by \$13,344,095. \$14,373,287 was also transferred to other funds for operational and capital related purposes, and \$495,201 was transferred in. The net decrease in the fund balance in the General Fund was therefore, \$(533,991).

During the fiscal year, the County amended the General Fund budget by \$2,794,779, primarily due to State and Federal grants being received during the course of the year in excess of the original approved budget.

Other Governmental Funds

The County Transportation Trust Fund accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. As of September 30, 2007, revenues exceeded expenditures, debt proceeds, and transfers by \$1,752,584.

The Municipal Services Benefit Unit Fund (MSBU) accounts for expenditures incurred for the solid waste collection and fire control services in the unincorporated area, and other services which primarily benefit residents of the unincorporated area of the County. Financing is provided by non-ad valorem assessments and other revenues derived from the unincorporated area. For the fiscal year ended September 30, 2007, expenditures exceeded revenues and transfers by \$(387,405). This was primarily due to fire control related capital expenditures.

The Municipal Services Special District Fund (MSSD) accounts for expenditures incurred for emergency medical services, fire control, and 911 communications. Financing is provided by non ad valorem assessments, service fees, and distribution of state shared revenues. For the fiscal year ended September 30, 2007, revenues were exceeded by expenditures by \$(404,081).

The Sheriff General Fund is the general operating fund of the Sheriff, a Constitutional Officer. The primary source of funds are transfers from the Board of County Commission General Fund. Expenditures for the year were \$12,941,773, and by law this fund has no ending fund balance.

The Clerk of Courts General Fund is the general operating fund of the Clerk of the Circuit Court, a Constitutional Officer. The primary source of funds are various court related fees and service charges and transfers from the Board of County Commission General Fund. Expenditures for the year were \$2,876,351, and this fund also had no ending fund balance.

The Economic Development Fund accounts for expenditures associated with debt service and other outlays for economic development projects authorized by the Board of County Commissioners. During the year, expenditures exceeded revenues by \$(1,984,444), leaving an ending fund deficit of \$(859,840). This will be funded during the ensuing year with loan proceeds.

The Connector Road Project Fund accounts for the ongoing project to provide bypass roads to relieve traffic congestion throughout the county. Financing is provided by a previously dedicated local option gas tax and state construction grants. During the year, revenues exceeded expenditures by \$1,803,410, leaving an ending fund balance of \$5,745,198 to be used in subsequent years for this project.

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, revenues exceeded expenditures and transfers by \$458,362, leaving an ending fund balance of \$4,042,991.

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, 2007, were \$19,246,826, total liabilities were \$11,014,083, and net assets were \$8,232,743. Total income was \$2,984,017, and total expenses were \$2,812,605, leaving a net income of \$171,412.

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2007, is \$131,643,648 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. Prior to 2003, general fixed assets were recorded at cost or fair market value at the time of acquisition. Depreciation was not recognized for governmental activities.

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

The following schedule provides a summary of the County's capital assets balances for the year ended September 30, 2007, compared to the prior year:

	Capital Assets			
	Governmental Activities	Business-type Activities	Total Government	
			2007	2006
Land and improvements	\$ 4,914,839	\$ 10,748,642	\$ 15,663,481	\$ 15,452,914
Construction in progress	977,024	-	977,024	-
Infrastructure	124,508,644	-	124,508,644	-
Buildings and improvements	46,310,724	493,668	46,804,392	104,648,781
Equipment	19,304,765	2,730,184	22,034,949	21,400,868
	<u>196,015,996</u>	<u>13,972,494</u>	<u>209,988,490</u>	<u>141,502,563</u>
Less accumulated depreciation	(70,698,954)	(7,645,888)	(78,344,842)	(30,040,468)
Total expenses	<u>\$ 125,317,042</u>	<u>\$ 6,326,606</u>	<u>\$ 131,643,648</u>	<u>\$ 111,462,095</u>

DEBT MANAGEMENT

Governmental Activities Debt

During the year, total long-term debt decreased by \$926,924 leaving the following balances:

Bank loan	\$ 1,489,831
Revenue bonds	3,405,488
Government loan	223,437
Capital leases	1,873,747
Compensated absences	1,984,583
	<u>\$ 8,977,086</u>

Business -type Activities Debt

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. Principal payments of \$415,000 were made on this loan during the year, leaving a balance of \$2,430,000 at year end. The County has internally escrowed funds to fully pay this debt.

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The current unemployment rate for the County, was 2.8%.
- The official population for the County in 2007 was 61,964, and is estimated to be 67,000 by the end of 2008, an 11% increase.
- The ad valorem tax millage rate for the County was 8.864 mills in 2007, which has remained unchanged for many years. During the ensuing year, the millage rate was decreased to 7.977 mills which amounted to a 3% decrease for current year revenues.

REQUEST FOR INFORMATION

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. Questions concerning this report or requests for additional information should be addressed to the County Manager, P. O. Drawer 1529, Lake City, Florida 32025, or by calling (386) 758-1005.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET ASSETS
September 30, 2007

	<u>Governmental</u> <u>Activities</u>	<u>Business - type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash	\$ 13,717,567	\$ 7,243,424	\$ 20,960,991
Accounts receivable	251,533	170,470	422,003
Due from other funds	853,641	148,534	1,002,175
Due from other governmental units	1,757,695	-	1,757,695
Inventories	15,753	-	15,753
Investments	20,438,790	1,133,437	21,572,227
Other current assets	458,263	-	458,263
Total current assets	<u>37,493,242</u>	<u>8,695,865</u>	<u>46,189,107</u>
Noncurrent Assets			
Restricted assets			
Cash	-	97,556	97,556
Investments	-	4,023,585	4,023,585
Total restricted assets	<u>-</u>	<u>4,121,141</u>	<u>4,121,141</u>
Capital assets, net	<u>125,317,042</u>	<u>6,326,606</u>	<u>131,643,648</u>
Other assets			
Unamortized bond issuance costs	-	103,214	103,214
Total noncurrent assets	<u>125,317,042</u>	<u>10,550,961</u>	<u>135,868,003</u>
Total assets	<u>\$ 162,810,284</u>	<u>\$ 19,246,826</u>	<u>\$ 182,057,110</u>
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 847,540	\$ 44,212	\$ 891,752
Accrued payroll liabilities	220,332	-	220,332
Due to other funds	-	9,731	9,731
Due to other governmental units	237,175	-	237,175
Accrued compensated absences	158,767	49,061	207,828
Interest payable	55,639	41,861	97,500
Deposits	73,201	-	73,201
Deferred revenue	104,675	-	104,675
Other current liabilities	13,706	-	13,706
Total current liabilities	<u>1,711,035</u>	<u>144,865</u>	<u>1,855,900</u>
Current Liabilities Payable from Restricted Assets			
Note payable Gulf Breeze, short-term portion	-	435,000	435,000
Noncurrent Liabilities			
Due within one year:			
Notes and loans payable	199,369	-	199,369
Capital leases	228,854	-	228,854
Bonds payable	1,892,960	-	1,892,960
Due in more than one year:			
Notes and loans payable	1,513,900	1,995,000	3,508,900
Capital leases	1,644,893	-	1,644,893
Bonds payable	1,512,528	-	1,512,528
Accrued compensated absences	1,825,816	-	1,825,816
Estimated landfill closure liability	-	8,439,218	8,439,218
Total noncurrent liabilities	<u>8,818,320</u>	<u>10,434,218</u>	<u>19,252,538</u>
Total liabilities	<u>10,529,355</u>	<u>11,014,083</u>	<u>21,543,438</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET ASSETS
September 30, 2007

	<u>Governmental Activities</u>	<u>Business - type Activities</u>	<u>Total</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 116,498,722	\$ 3,697,437	\$ 120,196,159
Restricted for:			
Library	2,071,111	-	2,071,111
Road projects	9,788,189	-	9,788,189
Other purposes	3,859,842	-	3,859,842
Unrestricted	<u>20,063,065</u>	<u>4,535,306</u>	<u>24,598,371</u>
Total net assets	<u><u>\$ 152,280,929</u></u>	<u><u>\$ 8,232,743</u></u>	<u><u>\$ 160,513,672</u></u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2007

Functions/Programs	Expenses	Program Services			Net (Expenses) Revenues 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	\$ 9,476,593	\$ 3,268,301	\$ 194,424	\$ -	\$ (6,013,868)	\$ -	\$ (6,013,868)
Public Safety	20,906,251	5,145,261	270,049	17,142	(15,473,799)	-	(15,473,799)
Physical Environment	4,578,528	3,729,489	92,480	-	(756,559)	-	(756,559)
Transportation	12,402,594	42,013	5,920	5,167,522	(7,187,139)	-	(7,187,139)
Economic Environment	2,188,589	-	296,164	583,000	(1,309,425)	-	(1,309,425)
Human Services	2,604,827	2,701	37,000	-	(2,565,126)	-	(2,565,126)
Culture/recreation	2,222,763	41,513	950,605	15,000	(1,215,645)	-	(1,215,645)
Court-related	2,482,961	2,514,805	-	-	31,844	-	31,844
Interest on long-term debt	270,582	-	-	-	(270,582)	-	(270,582)
Total governmental activities	57,133,688	14,744,083	1,846,642	5,782,664	(34,760,299)	-	(34,760,299)
Business - type activities							
Physical Environment							
Landfill	2,812,605	2,231,266	191,176	-	-	(390,163)	(390,163)
Total government	59,946,293	16,975,349	2,037,818	5,782,664	(34,760,299)	(390,163)	(35,150,462)
General revenues							
Ad valorem taxes					20,173,293	-	20,173,293
Sales and use taxes					11,048,031	-	11,048,031
Franchise fees					127,151	-	127,151
Federal payments in lieu of taxes					175,432	-	175,432
Federal and state shared revenue					8,794,742	-	8,794,742
Local payments in lieu of taxes					10,740	-	10,740
Interest					1,856,126	557,590	2,413,716
Gain (loss) on disposition of fixed assets					(153,733)	-	(153,733)
Rents and royalties					274,863	-	274,863
Miscellaneous					983,778	3,985	987,763
Total general revenue					43,290,423	561,575	43,851,998
Change in net assets					8,530,124	171,412	8,701,536
Net assets beginning of year					127,354,421	9,154,794	136,509,215
Prior period adjustment					16,396,384	(1,093,463)	15,302,921
Net assets end of year					\$ 152,280,929	\$ 8,232,743	\$ 160,513,672

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2007

	Special Revenue Funds						Debt Service Fund	Capital Projects funds		Other Governmental Funds	Total Governmental Funds
	General Fund	County Transportation Trust	Municipal Services Benefit Unit	Municipal Services Special District	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project	Road Improvement		
ASSETS											
Current assets											
Cash	\$ 200,000	\$ 2,533,865	\$ 1,889,469	\$ 1,578	\$ 7,151	\$ 350,975	\$ 441,897	\$ 412,826	\$ 3,613,296	\$ 4,266,510	\$ 13,717,567
Accounts receivable	10,844	507	38,552	108,028	-	85,610	-	-	-	7,992	251,533
Due from other funds	3,785,832	-	283,927	1,000,000	262,457	45,645	-	5,763,604	429,695	1,813,446	13,384,606
Due from other governmental units	306,208	990,162	46,116	-	5,741	27,366	-	-	-	382,102	1,757,695
Inventories	-	15,753	-	-	-	-	-	-	-	-	15,753
Investments	14,761,111	1,627,234	20,273	2,659,246	-	-	-	-	-	1,370,926	20,438,790
Other current assets	-	-	-	-	-	-	458,263	-	-	-	458,263
Total assets	\$ 19,063,995	\$ 5,167,521	\$ 2,278,337	\$ 3,768,852	\$ 275,349	\$ 509,596	\$ 900,160	\$ 6,176,430	\$ 4,042,991	\$ 7,840,976	\$ 50,024,207
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Accounts payable	\$ 159,221	\$ 47,712	\$ 95,824	\$ 25,779	\$ 6,063	\$ 466,551	\$ -	\$ 1,537	\$ -	\$ 44,853	\$ 847,540
Due to other funds	5,782,030	-	1,148,002	1,062,703	67,897	36,355	2,750,000	429,695	-	1,254,283	12,530,965
Due to other governmental units	-	-	-	-	192,577	-	-	-	-	44,598	237,175
Accrued payroll liabilities	199,601	-	-	-	8,812	-	-	-	-	11,919	220,332
Deposits	-	63,201	-	-	-	-	10,000	-	-	-	73,201
Revenues collected in advance	-	-	-	84,499	-	6,690	-	-	-	13,486	104,675
Other current liabilities	4,933	-	5,527	1,629	-	-	-	-	-	1,617	13,706
Total liabilities	6,145,785	110,913	1,249,353	1,174,610	275,349	509,596	2,760,000	431,232	-	1,370,756	14,027,594
Fund balances											
Designated	2,417,209	-	-	-	-	-	-	-	-	-	2,417,209
Unreserved	10,501,001	5,056,608	1,028,984	2,594,242	-	-	(1,859,840)	5,745,198	4,042,991	6,470,220	33,579,404
Total fund balances	12,918,210	5,056,608	1,028,984	2,594,242	-	-	(1,859,840)	5,745,198	4,042,991	6,470,220	35,996,613
Total liabilities and fund balances	\$ 19,063,995	\$ 5,167,521	\$ 2,278,337	\$ 3,768,852	\$ 275,349	\$ 509,596	\$ 900,160	\$ 6,176,430	\$ 4,042,991	\$ 7,840,976	

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

Capital assets used in governmental activities are not financial resources and, are therefore not reported in funds. 125,317,042

Long-term debt transactions including bonds payable (\$3,405,488), notes and loans payable (\$1,713,269), capital leases payable (\$1,873,747), accrued interest (\$55,639), and compensated absences (\$1,984,583), are not due and payable in the current period and therefore are not reported in the funds. (9,032,726)

Net assets of governmental activities \$ 152,280,929

**COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

	Special Revenue Funds					Debt Service Fund	Capital Projects funds		Other Governmental Funds	Total Governmental Funds	
	General Fund	County Transportation Trust	Municipal Services Benefit Unit	Municipal Services Special District	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project			Road Improvement
REVENUES											
Taxes	\$ 22,955,849	\$ 3,351,809	\$ 373,401	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 1,867,416	\$ 31,348,475
Licenses and permits	-	-	589,287	-	-	-	-	-	-	-	589,287
Intergovernmental	876,113	3,553,096	358,483	847,689	69,955	127,566	2,183,000	2,000,000	3,167,522	3,499,344	16,682,768
Charges for services	1,095,481	11,235	-	1,221,265	2,473,343	238,923	-	-	-	2,163,921	7,204,168
Fines and forfeitures	34,143	-	7,275	-	-	-	-	-	-	759,508	800,926
Miscellaneous	1,181,084	317,839	6,116,542	176,674	50,348	3,350	184,573	210,161	92,166	412,488	8,745,225
Total revenues	26,142,670	7,233,979	7,444,988	2,545,628	2,593,646	369,839	2,367,573	2,210,161	5,759,688	8,702,677	65,370,849
EXPENDITURES											
Current expenditures											
General government	4,059,462	-	276,466	211,485	881,233	-	-	20,000	-	3,223,764	8,672,410
Public safety	1,150,439	-	2,935,741	2,660,956	-	12,315,030	-	-	-	535,723	19,597,889
Physical environment	757,883	-	3,818,394	-	-	-	-	-	-	-	4,576,277
Transportation	-	5,256,311	-	-	-	-	-	382,973	23,653	-	5,662,937
Economic environment	581,997	-	-	-	-	-	254,595	-	-	1,329,794	2,166,386
Human services	2,552,156	-	-	-	-	-	-	-	-	-	2,552,156
Culture/recreation	1,350,043	-	40,271	-	-	-	-	-	-	743,794	2,134,108
Court-related	-	-	-	-	1,995,118	-	-	-	-	487,843	2,482,961
Capital outlay											
General government	41,272	-	-	-	-	-	-	-	-	6,056	47,328
Public safety	562,431	-	712,679	77,268	-	537,366	-	-	-	174,359	2,064,103
Physical environment	107,066	-	-	-	-	-	-	-	-	-	107,066
Transportation	-	2,067,277	-	-	-	-	-	3,778	5,108,317	-	7,179,372
Economic environment	73,705	-	-	-	-	-	2,827,107	-	-	-	2,900,812
Human services	11,468	-	-	-	-	-	-	-	-	-	11,468
Culture/recreation	1,550,653	-	190,979	-	-	-	-	-	-	-	1,741,632
Court-related	-	-	-	-	-	-	-	-	-	5,520	5,520
Debt services											
Principal	-	933,965	-	-	-	89,377	1,942,760	-	-	851,877	3,817,979
Interest	-	38,092	-	-	-	-	167,555	-	-	78,767	284,414
Total expenditures	12,798,575	8,295,645	7,974,530	2,949,709	2,876,351	12,941,773	5,192,017	406,751	5,131,970	7,437,497	66,004,818
Excess of revenues over (under) expenditures	13,344,095	(1,061,666)	(529,542)	(404,081)	(282,705)	(12,571,934)	(2,824,444)	1,803,410	627,718	1,265,180	(633,969)
Other financing sources											
Sale of fixed assts	-	883,138	55,194	-	-	-	-	-	-	-	938,332
Interfund transfers in	495,201	-	82,155	-	282,705	12,571,934	-	-	-	1,660,990	15,092,985
Interfund transfers out	(14,373,287)	-	-	-	-	-	-	(169,356)	-	(550,342)	(15,092,985)
Debt proceeds	-	1,931,112	4,788	-	-	-	840,000	-	-	-	2,775,900
Total other financing sources (uses)	(13,878,086)	2,814,250	142,137	-	282,705	12,571,934	840,000	-	(169,356)	1,110,648	3,714,232
Net change in fund balances	(533,991)	1,752,584	(387,405)	(404,081)	-	-	(1,984,444)	1,803,410	458,362	2,375,828	3,080,263
Fund balances beginning of year	13,202,505	3,304,024	1,128,152	2,998,323	-	-	124,604	3,941,788	3,584,629	4,094,392	32,378,417
Prior period adjustment	249,696	-	288,237	-	-	-	-	-	-	-	537,933
Fund balances end of year	\$ 12,918,210	\$ 5,056,608	\$ 1,028,984	\$ 2,594,242	\$ -	\$ -	\$ (1,859,840)	\$ 5,745,198	\$ 4,042,991	\$ 6,470,220	\$ 35,996,613

COLUMBIA COUNTY, FLORIDA

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, 2007

Net change in fund balances - total governmental funds		\$ 3,080,263
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.		
Expenditures for capital assets	\$ 14,057,300	
Less current year depreciation	<u>(8,876,041)</u>	5,181,259
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		(1,092,065)
Governmental funds do not report donated assets as revenue		
Donation of fixed assets		446,696
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.		
Loan proceeds		(2,775,900)
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.		
Note principal payments	242,368	
Capital lease principal payments	933,968	
Bond principal payments	<u>2,641,643</u>	3,817,979
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	(141,940)	
Accrued interest expense	<u>13,832</u>	<u>(128,108)</u>
Change in net assets of governmental activities		<u>\$ 8,530,124</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF NET ASSETS
PROPRIETARY FUND
September 30, 2007**

	<u>Landfill Enterprise</u>
ASSETS	
Current Assets	
Cash	\$ 7,243,424
Accounts receivable	170,470
Due from other funds	148,534
Investments	1,133,437
Total current assets	<u>8,695,865</u>
Noncurrent Assets	
Restricted assets	
Cash	97,556
Investments	4,023,585
Total restricted assets	<u>4,121,141</u>
Fixed assets	
Land	887,973
Buildings	493,668
Improvements other than buildings	9,860,669
Equipment	2,730,184
Allowance for depreciation	(7,645,888)
Total fixed assets	<u>6,326,606</u>
Other assets	
Unamortized bond issuance costs	103,214
Total noncurrent assets	<u>10,550,961</u>
Total assets	<u><u>\$ 19,246,826</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 44,212
Due to other funds	9,731
Interest payable	41,861
Accrued compensated absences	49,061
Total current liabilities	<u>144,865</u>
Current Liabilities Payable from Restricted Assets	
Note payable Gulf Breeze, short-term portion	<u>435,000</u>
Noncurrent Liabilities	
Note payable Gulf Breeze, long-term portion	1,995,000
Estimated landfill closure liability	8,439,218
Total noncurrent liabilities	<u>10,434,218</u>
Total liabilities	<u><u>11,014,083</u></u>
(Continued)	

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF NET ASSETS
PROPRIETARY FUND
September 30, 2007**

	<u>Landfill Enterprise</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 3,697,437
Unrestricted	<u>4,535,306</u>
Total net assets	<u><u>\$ 8,232,743</u></u>

COLUMBIA COUNTY, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2007

	<u>Landfill Enterprise</u>
OPERATING REVENUES	
Physical environment	
Garbage/solid waste revenue	
Landfill fees commercial	\$ 985,884
Landfill fees contractor	<u>1,245,382</u>
Total physical environment	<u>2,231,266</u>
Miscellaneous	
Sale of surplus recycling	3,880
Other miscellaneous	<u>105</u>
Total miscellaneous	<u>3,985</u>
Total operating revenues	<u>2,235,251</u>
OPERATING EXPENSES	
Landfill	
Personal services	
Regular salaries	491,202
FICA	35,757
Retirement	47,921
Life and health insurance	71,056
Workers' compensation	<u>39,889</u>
Total personal services	<u>685,825</u>
Operating expenses	
Professional services	196,022
Depreciation	398,324
Other contractual services	6,907
Travel and per diem	2,859
Communications services	2,153
Utility services	13,845
Rentals and leases	2,500
Insurance	49,752
Repairs and maintenance	95,913
Other current charges and obligations	1,075
Administration fees	74,800
Office supplies	2,942
Operating supplies	16,661
Gas and oil	117,088
Leachate disposal	119,723
Hazardous waste disposal	<u>21,327</u>
Total operating expenses	<u>1,121,891</u>
Total landfill	<u>1,807,716</u>

(Continued)

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2007

	<u>Landfill Enterprise</u>
OPERATING EXPENSES (Continued)	
Central Landfill Closure	
Operating expenses	
Professional services	\$ 65,863
Contractual services	13,840
Landfill closure	<u>510,002</u>
Total landfill closure	<u>589,705</u>
Litter Removal	
Operating expenses	
Contractual services	189,842
Waste tire grant	46,375
Total litter removal	<u>236,217</u>
Total operating expenses	<u>2,633,638</u>
Operating loss	<u>(398,387)</u>
NONOPERATING REVENUES (EXPENSES)	
State grants	
Physical environment	
Small county grant	191,176
Interest earnings	
SBA	20,491
Other	537,099
Debt service costs	
Interest	(143,893)
Other debt service costs	(8,721)
Amortization	<u>(26,353)</u>
Total nonoperating revenues (expenses)	<u>569,799</u>
Net income	171,412
Net assets at beginning of year	9,154,794
Prior period adjustment	<u>(1,093,463)</u>
Net assets at end of year	<u>\$ 8,232,743</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2007

	<u>Landfill Enterprise</u>
Cash Flows From Operating Activities	
Cash flows received from customers	\$ 2,089,399
Cash paid to employees	(491,202)
Cash paid for employee benefits	(190,263)
Cash paid to vendors	(1,024,612)
Net cash provided by operating activities	<u>383,322</u>
Cash Flows From Noncapital Financing Activities	
State grants received	<u>191,176</u>
Net cash provided by noncapital financing activities	<u>191,176</u>
Cash Flows From Capital and Related Financing Activities	
Payments to acquire or construct capital assets	(212,318)
Principal paid on bonds	(415,000)
Interest paid on capital debt	(150,429)
Other debt service costs	(8,721)
Net cash used for capital and related financing activities	<u>(786,468)</u>
Cash Flows From Investing Activities	
Interest received	557,590
Increase in investments	(242,631)
Net cash provided by investing activities	<u>314,959</u>
Net increase in cash	102,989
Cash at beginning of year	<u>7,237,991</u>
Cash at end of year	<u>\$ 7,340,980</u>

(continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2007

	<u>Landfill Enterprise</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Cash paid to vendors	<u>\$ (398,387)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	398,324
(Increase) decrease in assets:	
Accounts receivable	2,682
Due from other funds	(148,534)
Increase (decrease) in liabilities:	
Accounts payable	5,144
Due to other funds	4,360
Accrued compensated absences	9,731
Landfill closure liability	<u>510,002</u>
Total adjustments	<u>781,709</u>
Net cash provided by operating activities	<u><u>\$ 383,322</u></u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS

AGENCY FUNDS
September 30, 2007

	Clerk of Circuit Court						Sheriff		Tax Collector		Totals
	Clerk's Trust	Employee Sunshine	Domestic Relations	Jury Witness	Public Defender Occupancy Trust	Registry of Court	Bond and Fine	Inmate Welfare	Ad Valorem Tax	Tag Agency	
ASSETS											
Cash	\$ 1,645,162	\$ 1,140	\$ 4,756	\$ 5,161	\$ 33,381	\$ 80,352	\$ 7,890	\$ 205,093	\$ 1,715,028	\$ 122,573	\$ 3,820,536
Accounts receivable	14,479	-	-	-	-	-	-	8,290	-	1,343	24,112
Total assets	<u>\$ 1,659,641</u>	<u>\$ 1,140</u>	<u>\$ 4,756</u>	<u>\$ 5,161</u>	<u>\$ 33,381</u>	<u>\$ 80,352</u>	<u>\$ 7,890</u>	<u>\$ 213,383</u>	<u>\$ 1,715,028</u>	<u>\$ 123,916</u>	<u>\$ 3,844,648</u>
LIABILITIES											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,912	\$ -	\$ 1,912
Cash bond liability	171,946	-	-	-	-	-	-	-	-	-	171,946
Due to individuals	131,832	-	-	-	-	-	-	2,592	-	-	134,424
Court fees payable	649,705	-	-	-	-	-	-	-	-	-	649,705
Deposits held in escrow	2,339	-	-	-	-	63,361	-	-	12,594	-	78,294
Due to other funds	277,268	-	696	-	357	17	7,309	-	686,561	20,236	992,444
Due to other governmental units	319,174	-	1,560	5,161	33,024	-	-	-	696,520	95,410	1,150,849
Interest payable	-	-	-	-	-	16,974	-	-	315,029	8,251	340,254
Installments payable	7,318	-	-	-	-	-	-	-	-	-	7,318
Tax deeds payable	99,043	-	-	-	-	-	-	-	-	-	99,043
Other current liabilities	1,016	1,140	2,500	-	-	-	581	210,791	2,412	19	218,459
Total liabilities	<u>1,659,641</u>	<u>1,140</u>	<u>4,756</u>	<u>5,161</u>	<u>33,381</u>	<u>80,352</u>	<u>7,890</u>	<u>213,383</u>	<u>1,715,028</u>	<u>123,916</u>	<u>3,844,648</u>
NET ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2007

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 2007. The County fully implemented the basic model in the FY 2002-2003, and implemented the infrastructure related portion in 2007.

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, or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing body, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the Board=s special purpose financial statements. Management determined that the Columbia County Industrial Development Authority was the only organization that should be included in the County=s financial statements as a component unit.

Blended Component Unit

Columbia County Industrial Development Authority (CCIDA) created pursuant to the provisions of Section 159.45, Florida Statutes, the Board of County Commissioners appoints the governing body, approves the millage rate and the budget of the CCIDA. Although legally separate, the CCIDA is appropriately blended as a governmental fund-type (special revenue) component unit into the primary government.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the County are comprised of the following:

- Government -wide financial statements
- Fund financial statements
- Notes to the financial statements

1. Government -wide Financial Statements

Government -wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

Government -wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 - Accounting and Financial Reporting for Nonexchange Transactions.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government=s citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. As applicable, the County also chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect.

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 60 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, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, taxes, and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

C. Basis of Presentation

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds which either had debt outstanding or specific community focus as major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

1. Governmental Major Funds:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.

County Transportation Trust Fund - The County Transportation Trust Fund accounts for expenditures incurred for the maintenance and repairs of County roads. Financing is provided by local option fuel taxes and distributions of state shared fuel taxes and other revenues.

Municipal Services Benefit Unit Fund - The Municipal Services Benefit Unit Fund (MSBU) accounts for expenditures incurred for the solid waste collection and fire services in the unincorporated area, and other services which primarily benefit residents of the unincorporated area of the County. Financing is provided by non-ad valorem assessments and other revenues derived from the unincorporated area.

Municipal Services Special District Fund - The Municipal Services Special District Fund (MSSD) accounts for expenditures incurred for emergency medical services, and 911 communications. Financing is provided by non ad valorem assessments, service fees, and distribution of state shared revenues.

Clerk of Courts Operating Fund - The Operating Fund of the Clerk of 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.

Sheriff Operating Fund - The Operating 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.

Economic Development Debt Service Fund - The Economic Development Debt Service Fund accounts for expenditures associated with debt service and other outlays for economic development projects authorized by the Board of County Commissioners.

Connector Road Project Fund - The Connector Road Project Fund accounts for the ongoing project to provide bypass roads to relieve traffic congestion throughout the County. Financing is provided by proceeds of a previously dedicated local option gas tax and state construction grants.

Road Improvement Fund - 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 County funds.

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 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, 2007, this allowance was \$19,696. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2007.

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.

7. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, County-administered Special Revenue Funds, Capital Projects Funds, and the Enterprise Fund. Material encumbrances outstanding at year end, if any, are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

8. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost, or not reported. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The County holds legal title to the capital assets used in the operations of the Board, Clerk of the Circuit Court, Property Appraiser, Supervisor of Elections and Tax Collector, as is accountable for them under Florida Law.

The Sheriff is accountable for and thus maintains capital asset records pertaining only to equipment used in his operations.

Property, plant, and equipment of the County, as well as component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and improvements	5 - 40
Machinery and equipment	3 - 12
Road and bridge infrastructure	20 - 40

9. Capitalization of Interest

Interest costs related to bond issues are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments. During the current period, the County did not have any capitalized interest.

10. Deferred Revenues

Deferred revenues reported in government-wide financial statements represent unearned revenues. The deferred revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Deferred revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as deferred revenues.

11. Accrued Compensated Absences

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The noncurrent portion is the amount estimated to be used in subsequent fiscal years. Both the current and noncurrent estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentation.

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 rebate arbitrage. This approach treats excess earnings as a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2007.

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

L. 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 \$35,991,613 differs from net assets of governmental activities \$152,280,299 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	\$ 196,015,996
Accumulated depreciation	<u>(70,698,954)</u>
Total	<u>\$ 125,317,042</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, 2007, were:

Revenue Notes/Bonds Payable	\$ 3,405,488
Notes and loans payable	1,713,269
Capital leases payable	1,873,746
Compensated absences	<u>1,984,583</u>
Total	<u>\$ 8,977,086</u>

Accrued interest

Accrued liabilities in the statement of net assets differs from the amount reported in governmental funds due to accrued interest on the Revenue Bonds, notes, loans, and certain capital lease debts.

Notes payable	\$	12,223
Revenue bonds		14,387
Capital lease debts		<u>29,029</u>
Total	\$	<u><u>55,639</u></u>

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$12,530,965 between governmental funds must be eliminated for the statement of net assets.

COLUMBIA COUNTY, FLORIDA

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 Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Reclassifications and Eliminations	Statement of Net Assets
ASSETS					
Cash and cash equivalents	\$ 13,717,567	\$ -	\$ -	\$ -	\$ 13,717,567
Accounts receivable - net	251,533	-	-	-	251,533
Due from other funds	13,384,606	-	-	(12,530,965)	853,641
Due from other governmental units	1,757,695	-	-	-	1,757,695
Investments	20,438,790	-	-	-	20,438,790
Inventories	15,753	-	-	-	15,753
Other current assets	458,263	-	-	-	458,263
Capital assets - net	-	125,317,042	-	-	125,317,042
Total assets	\$ 50,024,207	\$ 125,317,042	\$ -	\$ (12,530,965)	\$ 162,810,284
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 847,540	\$ -	\$ -	\$ -	\$ 847,540
Accrued payroll liabilities	220,332	-	-	-	220,332
Accrued interest payable	-	-	55,639	-	55,639
Due to other funds	12,530,965	-	-	(12,530,965)	-
Due to other governmental units	237,175	-	-	-	237,175
Deposits	73,201	-	-	-	73,201
Deferred revenues	104,675	-	-	-	104,675
Other current liabilities	13,706	-	-	-	13,706
Accrued compensated absences	-	-	1,984,583	-	1,984,583
Capital leases payable	-	-	1,873,747	-	1,873,747
Notes and loans payable	-	-	1,713,269	-	1,713,269
Revenue bonds payable	-	-	3,405,488	-	3,405,488
Total liabilities	14,027,594	-	9,032,726	(12,530,965)	10,529,355
Fund balances/net assets	35,996,613	125,317,042	(9,032,726)	-	152,280,929
Total liabilities and fund balance/net assets	\$ 50,024,207	\$ 125,317,042	\$ -	\$ (12,530,965)	\$ 162,810,284

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

The net change in fund balances for governmental funds (\$3,080,263) differs from the change in net assets for governmental activities (\$8,530,124) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net assets decrease the amount of depreciation expense charges for the year. The statement of activities reports gains or losses arising from the disposition of capital assets. Conversely, governmental funds do not report these gains or losses.

Donated assets	\$ 446,696
Loss on deleted assets	(1,092,066)
Capital outlay	14,057,301
Depreciation expense	<u>(8,876,041)</u>
Difference	<u>\$ 4,535,890</u>

Long-term debt transactions

In the statement of activities, debt proceeds increase long-term liabilities. However, in the governmental funds, debt proceeds are treated as other financing sources since they provide current financial resources to governmental funds.

Debt proceeds	<u>\$ (2,775,900)</u>
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Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities.

Debt principal payments made	<u>\$ 3,817,979</u>
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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	<u>\$ (141,940)</u>
Net change in accrued interest	<u>\$ 13,832</u>

Reclassification and Eliminations

Transfers in and transfers out in the amount of \$15,092,985 between governmental activities should be eliminated.

COLUMBIA COUNTY, FLORIDA

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

B. Explanation of Differences Between Government Fund Operating Statements and the Statement of Activities

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Compensated Absences	Accrued Interest	Reclassifications and Eliminations	Statement of Activities
REVENUES							
Taxes	\$ 31,348,475	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,348,475
Licenses and permits	589,287	-	-	-	-	-	589,287
Intergovernmental	16,682,768	-	-	-	-	-	16,682,768
Charges for services	7,204,168	-	-	-	-	-	7,204,168
Fines and forfeitures	800,926	-	-	-	-	-	800,926
Special assessments	6,074,852	-	-	-	-	-	6,074,852
Interest	1,856,126	-	-	-	-	-	1,856,126
Miscellaneous	814,247	446,696	-	-	-	-	1,260,943
Loss on disposition of fixed assets	-	(153,733)	-	-	-	-	(153,733)
Total revenues	65,370,849	292,963	-	-	-	-	65,663,812
EXPENDITURES							
Current Expenditures							
General government	8,672,410	744,428	-	59,755	-	-	9,476,593
Public safety	19,597,889	1,239,340	-	69,022	-	-	20,906,251
Physical environment	4,576,277	-	-	2,251	-	-	4,578,528
Transportation	5,662,937	6,733,375	-	6,282	-	-	12,402,594
Economic environment	2,166,386	20,930	-	1,273	-	-	2,188,589
Human services	2,552,156	52,671	-	-	-	-	2,604,827
Culture/recreation	2,134,108	85,298	-	3,357	-	-	2,222,763
Court related	2,482,961	-	-	-	-	-	2,482,961
Capital outlay							
General government	47,328	(47,328)	-	-	-	-	-
Public safety	2,064,103	(2,064,103)	-	-	-	-	-
Physical environment	107,066	(107,066)	-	-	-	-	-
Transportation	7,179,372	(7,179,372)	-	-	-	-	-
Economic environment	2,900,812	(2,900,812)	-	-	-	-	-
Human services	11,468	(11,468)	-	-	-	-	-
Culture/recreation	1,741,632	(1,741,632)	-	-	-	-	-
Court related	5,520	(5,520)	-	-	-	-	-
Debt Service							
Principal	3,817,979	-	(3,817,979)	-	-	-	-
Interest	284,414	-	-	-	(13,832)	-	270,582
Total expenditures	66,004,818	(5,181,259)	(3,817,979)	141,940	(13,832)	-	57,133,688
Excess of revenues over (under) expenditures	(633,969)	5,474,222	3,817,979	(141,940)	13,832	-	8,530,124
OTHER FINANCING SOURCES (USES)							
Debt proceeds	2,775,900	-	(2,775,900)	-	-	-	-
Sale of fixed assets	938,332	(938,332)	-	-	-	-	-
Transfers in	15,092,985	-	-	-	-	(15,092,985)	-
Transfers out	(15,092,985)	-	-	-	-	15,092,985	-
Total other financing sources (uses)	3,714,232	(938,332)	(2,775,900)	-	-	-	-
Net change in fund balance	3,080,263	4,535,890	1,042,079	(141,940)	13,832	-	8,530,124
Fund balances at beginning of year	32,378,417	104,949,482	(8,061,364)	(1,842,643)	(69,471)	-	127,354,421
Prior period adjustment	537,933	15,831,670	26,781	-	-	-	16,396,384
Fund balances at end of year	\$ 35,996,613	\$ 125,317,042	\$ (6,992,504)	\$ (1,984,583)	\$ (55,639)	\$ -	\$ 152,280,929

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

1. Prior to September 15, the County Manager serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the Florida Statutes.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.
6. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2007, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budget is adopted on the accrual basis.
9. Legal control of the budget is exercised pursuant to applicable provisions of Florida Statutes.
10. Appropriations for the County lapse at the close of the fiscal year.
11. The following is a comparison of the appropriations to total expenses for the proprietary fund for the fiscal year ended September 30, 2007.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive</u>
Primary government			
Enterprise fund			
Landfill	<u>\$ 2,984,015</u>	<u>\$ 2,812,604</u>	<u>\$ 471,411</u>

The appropriations budget did not include debt service payments that are considered to be defeased by the County.

NOTE 4. CASH AND CASH EQUIVALENTS

The County maintains a cash pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions .

1. Deposits

At September 30, 2007, the carrying amount of the County=s deposits was \$21,058,547 . 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 Board's investments in the Local Government Surplus Funds Trust Fund, a Securities and Exchange Commission Rule 2a-7 like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the actual underlying investments. The State Board of Administration has taken the position that it is not required to disclose to participants in the pool information related to interest rate risk, custodial credit risk, concentrations of credit risk and foreign currency risk. The investment pool was not rated by a nationally recognized statistical rating agency as of September 30, 2007.

The Board's investments with First Federal Savings Bank are structured as a retail repurchase agreement. Under a retail repurchase agreement the Bank daily at the close of business sells to the County marketable securities with a fair market value of equal to the balance in the account and repurchases them the next morning for the same price plus negotiated interest. The Bank while retaining possession of the securities has legally pledged to the County a security interest in the pledged securities. A repurchase agreement as an investment is not FDIC insured nor is it a public funds deposit under Florida Law.

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, 2007, the Trust had investments, at fair value, of approximately \$370 million. Of the total investments in the Trust, 8.7% was invested in asset backed securities 61.7% was invested in Federal Agency Mortgage-backed securities.

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

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy to minimize interest rate risk is by structuring the investment portfolio so that the investments are readily convertible to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment on a deposit. The County does not hold foreign or foreign currency investments and therefore is not subject to foreign currency risk.

Credit Risk: The County also mitigates credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of investment or collateral securities that are held in the possession of an outside party. The County limits this risk by investing only in permitted investments.

Concentrations of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The implementation of GASB Statement No. 40 requires the disclosure of investments in any on issuer that represent 5% or more of total investments. As of September 30, 2007, the County had investments with the following issuers in the percentages of total investments shown below.

Schedule of Investments at September 30, 2007

	Fair Value	Percent	Category
Florida Local Government Surplus Funds Trust Fund	\$ 4,023,585	15.72%	1
Local Government Surplus Funds Trust Fund	243,615	0.95%	*
Certificates if Deposit	840,000	3.28%	
First Federal Savings Bank			
Money Market Funds	20,488,610	80.05%	*
	<u>\$ 25,595,810</u>	<u>100.00%</u>	

NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2006-2007 fiscal year were levied in October 2006. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the

sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2007, was as follows:

Primary Government

	Beginning Balance	Donations	Additions	PRIOR PERIOD ADJUSTMENT	Deletions	Balance
<u>Governmental activities:</u>						
Capital assets:						
Land	\$ 4,704,272	\$ -	\$ 210,567	\$ -	\$ -	\$ 4,914,839
Buildings	44,576,739	-	323,491	-	-	44,900,230
Improvements other than buildings	-	-	1,410,494	-	-	1,410,494
Road improvements	59,578,374	-	7,935,424	56,994,847	-	124,508,645
Construction in progress	-	-	977,024	-	-	977,024
Equipment	18,869,853	446,695	3,200,301	(580,921)	(2,631,164)	19,304,754
Total capital assets	127,729,238	446,695	14,057,301	56,413,926	(2,631,164)	196,015,986
Less accumulated depreciation	(22,779,756)	-	(8,876,041)	(40,582,256)	1,539,099	(70,698,954)
Governmental activities capital assets, net	<u>\$ 104,949,482</u>	<u>\$ 446,695</u>	<u>\$ 5,181,260</u>	<u>\$ 15,831,670</u>	<u>\$ (1,092,065)</u>	<u>\$ 125,317,032</u>
<u>Business-type activities:</u>						
Landfill	\$ 887,973	\$ -	\$ -	\$ -	\$ -	\$ 887,973
Equipment	2,531,015	-	212,317	(13,148)	-	2,730,184
Buildings	493,668	-	-	-	-	493,668
Improvements	9,860,669	-	-	-	-	9,860,669
Total capital assets	13,773,325	-	212,317	(13,148)	-	13,972,494
Less accumulated depreciation	(7,260,712)	-	(398,324)	13,148	-	(7,645,888)
Business-type activities: capital assets, net	<u>\$ 6,512,613</u>	<u>\$ -</u>	<u>\$ (186,007)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,326,606</u>

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

<u>Governmental activities:</u>	
General government	\$ 744,428
Public safety	1,239,340
Transportation	6,733,375
Economic environment	20,930
Human services	52,671
Culture/recreation	85,298
Total depreciation expense - governmental activities	<u>\$ 8,876,042</u>
<u>Business-type activities:</u>	
Landfill enterprise	\$ 398,324
Total depreciation expense - business-type activities	<u>\$ 9,274,366</u>

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2007, were:

Fund	Interfund Receivables	Interfund Payables
General fund	\$ 3,785,830	\$ 5,782,028
Special revenue funds:		
Local Housing Assistance	-	28,769
Municipal services benefit unit	283,927	1,148,002
Municipal services special district	1,000,000	1,062,703
Court service fund	16,983	-
Sheriff:		
Operating	45,645	-
Individual depositions	2,213	36,355
Clerk of Courts:		
Operating	262,457	67,897
Public records modernization	10,959	47,270
Teen court	586	-
Property Appraiser operating		26,449
Supervisor of Elections operating	-	1,021
Tax Collector operating	19,976	423,380
Capital projects funds:		
Connector road project	5,763,604	429,695
Road improvement	-	345,678
Paving assessments	384	381,716
Debt service funds:		
Road improvement	429,695	-
Economic development	-	2,750,000
Jail	1,762,345	-
Agency funds:		
Clerk of Circuit Court		
Trust	-	277,268
Domestic relations	-	696
Public defender occupancy trust	-	357
Registry of courts	-	17
Sheriff		
individual depositions	-	7,309
Tax Collector		
Ad valorem tax	-	686,561
Tag agency	-	20,236
Enterprise Fund		
Landfill	148,534	9,731
Totals	<u>\$ 13,533,138</u>	<u>\$ 13,533,138</u>

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2007, consisted of the following:

Transfers from general fund to:	
Clerk of Courts Operating Fund	\$ 235,435
Property Appraiser Operating Fund	1,003,903
Sheriff Operating Fund	12,571,934
Supervisor of Elections Operating Fund	562,014
Transfer from jail/debt service to	
General Fund	400,000
Municipal Services Benefit Unit	8,000
Transfer from Road Improvement Fund	
General Fund	95,201
Municipal Services Benefit Unit Fund	74,155
Transfer from Law Enforcement Special Fund to:	
Sheriff Nongrant Forfeiture Fund	95,073
Transfer from Public Record Modernization Trust Fund to:	
Clerk Operating Fund	47,270
Total transfers	<u>\$ 15,092,985</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, 3) use unrestricted general fund revenues to finance transportation activities which must be accounted for in another fund, and 4) fund Constitutional Officer operations.

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

Receivables

Receivables at September 30, 2007, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
Governmental activities:			
General	\$ 10,844	\$ 306,208	\$ 317,052
County transportation trust	507	990,162	990,669
Municipal services benefit unit	38,552	46,116	84,668
Municipal services special district	108,028	27,366	135,394
Sheriff operating	85,610	-	85,610
Clerk operating	-	5,741	5,741
Other governmental	7,992	382,102	390,094
Total governmental activities	<u>\$ 251,533</u>	<u>\$ 1,757,695</u>	<u>\$ 2,009,228</u>
Business-type activities:			
Landfill enterprise	<u>\$ 170,470</u>	<u>\$ -</u>	<u>\$ 170,470</u>

Payables

Payables at September 30, 2007, were as follows:

	<u>Vendors</u>	<u>Other Governmental Units</u>	<u>Total Payables</u>
Governmental activities:			
General	\$ 159,221	\$ -	\$ 159,221
County transportation trust	47,712	-	47,712
Municipal services benefit unit	95,824	-	95,824
Municipal services special district	25,779	-	25,779
Clerk of Court operating	6,063	192,577	198,640
Sheriff operating	466,551	-	466,551
Connector road project	1,537	-	1,537
Other governmental	44,853	44,598	89,451
Total governmental activities	<u>\$ 847,540</u>	<u>\$ 237,175</u>	<u>\$ 1,084,715</u>
Business-type activities:			
Landfill enterprise	<u>\$ 44,212</u>	<u>\$ -</u>	<u>\$ 44,212</u>

NOTE 10. LONG-TERM LIABILITIES

A. Governmental Activities

Notes Payable

- A. The County has a note with Columbia 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	3.49%
Payment, monthly	\$ 8,213
Due date	04-21-2016

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>
2008	\$ 75,336	\$ 23,219	\$ 98,555
2009	76,865	21,690	98,555
2010	79,591	18,964	98,555
2011	82,413	16,142	98,555
2012	85,336	13,219	98,555
Thereafter	<u>338,051</u>	<u>15,508</u>	<u>353,559</u>
Total	<u>\$ 737,592</u>	<u>\$ 108,742</u>	<u>\$ 846,334</u>

- B. In December 2006, the County entered into a loan agreement with Columbia Bank in the amount of \$840,000. The proceeds of this loan were used to pay off an existing Revenue Bond held by Suntrust Bank as described in Revenue Bonds Note A. This note is being paid in 24 quarterly payments of \$42,850 beginning March 4, 2007 which includes interest at 6.65%. This note is secured by a certificate of deposit in the amount of \$840,000 which is also held at Columbia Bank. The scheduled payments 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>
2008	\$ 124,034	\$ 47,366	\$ 171,400
2009	132,563	38,837	171,400
2010	141,677	29,723	171,400
2011	151,420	19,980	171,400
2012	161,831	9,569	171,400
Thereafter	<u>40,715</u>	<u>2,135</u>	<u>42,850</u>
Total	<u>\$ 752,240</u>	<u>\$ 147,610</u>	<u>\$ 899,850</u>

Loan Payable

- A. FDEP - On July 14, 2004, the County entered into a loan agreement with the State of Florida Department of Environmental Protection (FDEP) for State Revolving Fund financial assistance for a wastewater treatment system at the I-75 exit 80 area (Ellisville). The terms of this agreement called for a \$276,864 disburseable amount of loan funds plus \$8,800 in capitalized interest for a total loan principal of \$285,664.

This loan was subsequently amended on June 14, 2006 for a total loan amount of \$755,809 when fully disbursed. Upon full disbursement, the loan is payable in forty semi-annual payments of \$24,345 including interest at 2.07%, beginning October 15, 2009. At September 30, 2007, a total of \$177,141 had been drawn on this loan.

Also, in conjunction with the project, the County entered into an additional loan with the FDEP in the amount of \$248,000. This loan is payable in ten semi-annual payments of \$14,491 including interest at 2.65%, beginning on July 15, 2009. At September 30, 2007, \$46,296 had been drawn on this loan.

Both of these loans are subject to future amendments as to principal amounts, and semi-annual payment amounts and payment inception dates.

- B. Long-Term Debt -- In March, 2006, the Sheriff entered into an agreement with Computer Information Systems, Inc., to purchase hardware and server software in the amount of \$268,130. This agreement called for three payments of \$89,377. The equipment and software

were for a computer information system that accommodates operating, jail, courthouse and dispatching. The final payment was made in the current year

Revenue Bonds

- A. On April 15, 1996, the County closed on a Revenue Term Bond in the amount of \$1,700,000. The proceeds were used to construct a manufacturing plant to be leased by the County to Homes of Merit, a mobile home manufacturer. The bonds were being repaid over a period of eleven years with an average interest rate of 7.23%. The debt was secured by the State Half-Cent Sales Tax revenue. Debt service was accounted for in the applicable debt service fund and was being reimbursed by the tenant. This debt was paid off in the current year.
- B. 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>
2008	\$ 788,297	\$ 44,479	\$ 832,776
2009	412,191	4,195	416,386
Total	<u>\$ 1,200,488</u>	<u>\$ 48,674</u>	<u>\$ 1,249,162</u>

- C. 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:

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 1,085,000	\$ 57,190	\$ 1,142,190
2009	1,120,000	19,264	1,139,264
Total	<u>\$ 2,205,000</u>	<u>\$ 76,454</u>	<u>\$ 2,281,454</u>

Capital Leases

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

- A. Purchase of three motor graders costing \$441,915. The terms of the agreement call for four annual payments of \$95,943, which includes interest at 4.25%, with a terminating payment of \$197,040 on January 20, 2010.

- B. Purchase of seven motor graders costing \$1,081,439. The terms of the agreement called for five annual payments of \$150,272. The payments included interest at 3.75%, beginning in July, 2003, and a balloon payment of \$450,760 in July, 2008. The motor graders were repurchased by Caterpillar in a buy-back agreement in the current year.
- C. Purchase of six motor graders costing \$933,012. The terms of the agreement call for five annual payments of \$95,656 beginning September 5, 2007, and a concluding payment of \$720,000 on September 30, 2012. These payments include interest at 7.00%.
- D. Purchase of a rotary mixer costing \$369,420. The terms of the agreement call for five annual payments of \$74,746 beginning June 11, 2007, and a concluding payment of \$58,197 on June 11, 2012. These payments include interest at 7.00%.
- E. Purchase of a wheel loader costing \$192,883. The terms of the agreement call for five annual payments of \$27,876 beginning June 11, 2007, and a concluding payment of \$99,000 on June 11, 2012. These payments include interest at 7.00%.
- F. Purchase of a motor grader costing \$170,878. The terms of the agreement call for five annual payments of \$21,073 beginning June 11, 2007, and a concluding payment of \$110,000 on June 11, 2012. These payments include interest at 7.00%.
- G. Purchase of a bulldozer costing \$108,609. The terms of the agreement call for five annual payments of \$16,630 beginning June 11, 2007, and a concluding payment of \$50,000 on June 11, 2012. These payments include interest at 7.00%.
- H. Purchase of a motor grader costing \$156,310. The terms of the agreement call for five annual payments of \$18,769 beginning January 1, 2007, and a concluding payment of \$91,000 on January 1, 2012. These payments include interest at 4.95%.

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, 2007:

Year Ending September 30	
2008	\$ 350,693
2009	350,693
2010	451,789
2011	254,749
2012	1,128,197
Less amount representing interest	<u>(662,374)</u>
Total	<u>\$ 1,873,747</u>

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
2008	\$ 435,000	\$ 127,681	\$ 562,681
2009	460,000	102,833	562,833
2010	485,000	75,894	560,894
2011	510,000	46,905	556,905
2012	540,000	15,930	555,930
Total	<u>\$ 2,430,000</u>	<u>\$ 369,243</u>	<u>\$ 2,799,243</u>

C. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2007, was as follows:

	Balance at 10/01/06	Prior Period Adjustment	Additions	Deletions	Balance at 09/30/07	Due Within One Year
<u>Governmental activities:</u>						
Revenue notes payable:						
Notes payable						
Columbia Bank	\$ 802,823	\$ -	\$ -	\$ 65,231	\$ 737,592	\$ 75,336
Revenue bonds:						
Transportation -Series 2003	1,987,134	-	-	786,646	1,200,488	807,960
Sales tax revenue-Series 2004	3,250,000	-	-	1,045,000	2,205,000	1,085,000
SunTrust Revenue Term	810,000	-	-	810,000	-	-
	<u>6,047,134</u>	<u>-</u>	<u>-</u>	<u>2,641,646</u>	<u>3,405,488</u>	<u>1,892,960</u>
Loan Agreements Payable:						
Columbia Bank	-	-	840,000	87,760	752,240	124,034
Computer Information Systems, Inc.	89,377	-	-	89,377	-	-
Department of Environmental Regulation	218,649	-	4,788	-	223,437	-
	<u>308,026</u>	<u>-</u>	<u>844,788</u>	<u>177,137</u>	<u>975,677</u>	<u>124,034</u>
Capital Leases Payable:						
Caterpillar Financial	-	-	933,012	95,656	837,356	37,041
Caterpillar Financial	-	-	369,420	74,746	294,674	54,119
Caterpillar Financial	-	-	192,883	27,876	165,007	16,325
Caterpillar Financial	-	-	170,878	21,073	149,806	10,586
Caterpillar Financial	-	-	108,609	16,630	91,979	10,192
Caterpillar Financial	277,568	-	-	84,788	192,780	88,392
Caterpillar Financial	599,033	-	-	599,033	-	-
Xerox Corporation	26,781	26,781	-	-	-	-
John Deere Credit	-	-	156,310	14,164	142,146	12,200
	<u>903,382</u>	<u>26,781</u>	<u>1,931,112</u>	<u>933,966</u>	<u>1,873,747</u>	<u>228,855</u>
Other Liabilities:						
Compensated absences	1,842,643	-	141,940	-	1,984,583	158,767
	<u>\$ 9,904,008</u>	<u>\$ 26,781</u>	<u>\$ 2,917,840</u>	<u>\$ 3,817,979</u>	<u>\$ 8,977,087</u>	<u>\$ 2,479,952</u>
<u>Business activities:</u>						
Note payable:						
Gulf Breeze loan	\$ 2,845,000	\$ -	\$ -	\$ 415,000	\$ 2,430,000	\$ 435,000
Other Liabilities:						
Compensated absences	44,701	-	4,360	-	49,061	3,925
Estimated liability for landfill closure	6,835,754	1,093,462	510,002	-	8,439,218	-
	<u>\$ 9,725,455</u>	<u>\$ 1,093,462</u>	<u>\$ 514,362</u>	<u>\$ 415,000</u>	<u>\$ 10,918,279</u>	<u>\$ 438,925</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.

\$8,439,218 reported as landfill closure and postclosure care liability at September 30, 2007, 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 2007. 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, 2007, restricted cash of \$4,023,585 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:

Year Ending September 30	
2008	\$ 297,927
2009	180,451
2010	49,755
2011	19,892
2012	2,068
	<u>\$ 550,093</u>

NOTE 13. DEFINED BENEFIT PENSION PLAN

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 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 County with descriptions and contribution rates in effect during the period ended September 30, 2007, as follows (contribution rates are in agreement with the actuarially determined rates):

	<u>10/01/06 to 09/30/07</u>
<u>Regular Class</u> - Members not qualifying for other classes.	9.85%
<u>Senior Management Service Class</u> - Members of senior management who do not elect the optional annuity management program.	13.12%
<u>Special Risk Class</u> - members employed as law enforcement officers, firefighters, correctional officers, or emergency services and meet the criteria set to qualify for this class.	20.92%
<u>Special Risk Administrative Support Class</u> - Special risk members who are transferred or reassigned to non-special risk and meet the criteria.	12.55%
<u>Elected County Officer's Class</u> - Certain elected county officials.	16.53%
<u>Deferred Retirement Option Program</u> - Members who are eligible for normal retirement that have elected to participate in the deferred retirement option program.	10.91%

Contributions to the FRS for the fiscal year ended September 30, 2007, were equal to 14.9% of the annual covered payroll. Contributions to the FRS for the fiscal years ended September 30, 2005, 2006, and 2007, were \$1,728,364, \$1,963,262, and \$2,205,075 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 County expects such amounts, if any, to be material.

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

NOTE 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. PRIOR PERIOD ADJUSTMENT

The following prior period adjustments have been made to the net assets in the financial statements of the County.

<u>Fund/Account</u>	<u>Net Assets Increase (Decrease)</u>	<u>Account Corrected</u>	<u>Reason for Adjustment</u>
Capital Assets, Governmental Activities	\$ 56,994,847	Infrastructure capital assets	Road improvements were included on a retroactive basis per GASB 34 requirements.
	21,926	Equipment	Equipment was understated in the prior fiscal year.
	(41,145,706)	Accumulated depreciation	Accumulated depreciation on roads was included on a retro- active basis per GASB 34 requirements.
Landfill	(1,093,463)	Estimated liability for landfill closure	Post closure costs for the landfill were overstated in prior fiscal years.

NOTE 18. FUND EQUITY DEFICITS

The following governmental funds had a deficit in fund balance at September 30, 2007:

Economic Development	\$ 1,859,840
Road Improvement Debt Service	311,446
	<u>\$ 2,171,286</u>

The deficits of these funds will be funded by loan proceeds to be received in the ensuing year.

NOTE 19. SUBSEQUENT EVENTS

As discussed in Note 4, at September 30, 2007, the County had \$243,615 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool).

On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Pool coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub-prime mortgage risk. On December 4, 2007, based on recommendation from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A consisted of money market appropriate assets, which was approximately \$12 billion or 86% of Pool assets. Pool B consisted of assets that either had defaulted on a payment, paid more slowly than expected and/or had any significant credit and liquidity risk, which was approximately \$2 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B.

Currently, Pool B participants are prohibited from withdrawing any amount from the Pool and a formal withdrawal policy has not yet been developed. Market valuations of the assets held in Pool B are not readily available. In addition, full realization of the principal value of Pool B assets is not readily determinable.

After making allowed withdrawals from the Pool, as of July 31, 2008, the County has \$48,051 and \$11,960 invested in Pool A and B, respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBIA COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
TAXES				
Advalorem taxes				
Ad valorem taxes	\$ 20,005,487	\$ 20,005,487	\$ 18,074,171	\$ (1,931,316)
Delinquent taxes	35,000	35,000	1,788,972	1,753,972
Sales and Use Taxes				
Small County Infrastructure Surtax	3,015,300	3,015,300	2,970,251	(45,049)
Communications Service Taxes	110,000	110,000	122,455	12,455
Total Taxes	<u>23,165,787</u>	<u>23,165,787</u>	<u>22,955,849</u>	<u>(209,938)</u>
INTERGOVERNMENTAL				
Federal Grants				
Public Safety				
Emergency preparedness grants	15,740	15,740	20,247	4,507
Homeland Security	-	-	33,866	33,866
Title IV-A Rural Fire	-	-	2,553	2,553
Total Federal Grants	<u>15,740</u>	<u>15,740</u>	<u>56,666</u>	<u>40,926</u>
Federal payments in lieu of taxes	-	-	2,802	2,802
State Grants				
Public Safety				
State Emergency Preparedness	102,959	102,959	102,959	-
FEMA State portion	-	-	92,480	92,480
Human Services				
Mosquito Control	37,000	37,000	37,000	-
Culture and recreation				
State Aid to Libraries	30,000	30,000	29,869	(131)
Gates grant	10,000	10,000	15,000	5,000
Other	10,000	10,000	10,984	984
Total State Grants	<u>189,959</u>	<u>189,959</u>	<u>288,292</u>	<u>98,333</u>
State Shared Revenues				
Insurance Agents' Licenses	15,000	15,000	26,881	11,881
Alcohol Beverage Licenses	13,000	13,000	13,120	120
Half-cent sales tax	175,823	175,823	175,823	-
Total State Shared Revenues	<u>203,823</u>	<u>203,823</u>	<u>215,824</u>	<u>12,001</u>
State Payments in Lieu of Taxes				
SRWMD	20,000	20,000	10,740	(9,260)
Grants from Other Local Units	-	-	301,709	301,709
Total Intergovernmental Revenue	<u>429,522</u>	<u>429,522</u>	<u>876,033</u>	<u>446,511</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
CHARGES FOR SERVICES				
General Government				
Copies	\$ -	\$ -	\$ 107	\$ 107
Tax Collector Fees	-	-	20,236	20,236
Sheriff Fees	85,000	85,000	95,093	10,093
Supervisor fees	-	-	1,199	1,199
Administrative	386,850	386,850	386,850	-
SHIP Administration	-	-	28,759	28,759
Public Safety				
911 Surcharge	230,000	230,000	162,247	(67,753)
Room and board for prisoners	-	-	21,630	21,630
Wireless 911 Fees	65,000	65,000	115,129	50,129
Human Services				
Animal Control Fees	3,000	3,000	2,701	(299)
Culture and Recreation				
Lake City Library Fees	1,500	1,500	1,731	231
Lake City Printing	5,000	5,000	4,136	(864)
Ft. White Library Fees	100	100	124	24
Ft. White Printing	400	400	484	84
West Branch Library Fees	200	200	278	78
West Branch Printing	500	500	617	117
Court Related				
Court Costs	-	-	43,346	43,346
Court Facility Fee	165,000	165,000	195,674	30,674
Other Charges for Services	27,000	27,000	15,140	(11,860)
Total Charges for Services	969,550	969,550	1,095,481	125,931
FINES AND FORFEITURES				
Library Fines	33,500	33,500	34,143	643
Total fines	33,500	33,500	34,143	643
MISCELLANEOUS				
Interest	575,000	575,000	923,874	348,874
Rentals and Leases	5,600	5,600	10,000	4,400
Disposition of Fixed Assets	-	-	400	400
Contributions	-	-	1,277	1,277
Other	30,000	30,000	245,613	215,613
Total Miscellaneous	610,600	610,600	1,181,164	570,564
TOTAL REVENUES	25,208,959	25,208,959	26,142,670	933,711

(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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
General Government				
Legislative				
Personal services	\$ 802,941	\$ 802,987	\$ 802,987	\$ -
Operating expenses	175,000	374,365	374,365	-
Capital outlay	-	18,802	20,802	(2,000)
Total legislative	<u>977,941</u>	<u>1,196,154</u>	<u>1,198,154</u>	<u>(2,000)</u>
Executive				
Personal services	<u>1,800</u>	<u>1,800</u>	<u>1,600</u>	<u>200</u>
Tax Collector				
Operating expenses	<u>750,000</u>	<u>750,000</u>	<u>705,415</u>	<u>44,585</u>
Accounting and Auditing				
Operating expenses	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>	<u>-</u>
Data Processing				
Operating expenses	<u>32,000</u>	<u>38,530</u>	<u>38,530</u>	<u>-</u>
Legal Counsel				
Personal services	114,791	129,317	129,317	-
Operating expenses	<u>2,000</u>	<u>3,386</u>	<u>3,386</u>	<u>-</u>
Total legal counsel	<u>116,791</u>	<u>132,703</u>	<u>132,703</u>	<u>-</u>
Circuit Court				
Operating expenses	-	-	47,616	(47,616)
Capital outlay	-	-	5,520	(5,520)
Total Circuit Court	<u>-</u>	<u>-</u>	<u>53,136</u>	<u>(53,136)</u>
General Government				
Personal services	-	1,344	1,344	-
Operating expenses	-	5,731	5,731	-
Total general government	<u>-</u>	<u>7,075</u>	<u>7,075</u>	<u>-</u>
Nondepartmental				
Personal services	10,000	4,827	4,827	-
Operating expenses	<u>520,500</u>	<u>480,028</u>	<u>478,328</u>	<u>1,700</u>
Total nondepartmental	<u>530,500</u>	<u>484,855</u>	<u>483,155</u>	<u>1,700</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, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Courthouse Maintenance				
Personal services	\$ 697,138	\$ 711,990	\$ 711,988	\$ 2
Operating expenses	365,133	403,693	403,694	(1)
Capital outlay	5,000	20,470	20,470	-
Total courthouse maintenance	1,067,271	1,136,153	1,136,152	1
Annex				
Operating expenses	52,510	52,510	52,509	1
Montgomery Building				
Operating expenses	26,320	26,320	26,320	-
Witt Building				
Operating expenses	2,700	2,700	2,700	-
Utilities Sheriff				
Operating expenses	13,472	13,472	13,472	-
Supervisor of Elections				
Operating expenses	136,476	136,476	136,476	-
Watertown Building				
Operating expenses	18,337	18,337	18,337	-
Total general government	3,821,118	4,092,085	4,100,734	(8,649)
Public Safety				
Emergency				
Operating expenses	15,740	20,191	20,191	-
Preparedness				
Personal services	103,386	108,109	108,109	-
Operating expenses	44,700	42,113	38,329	3,784
Total preparedness	148,086	150,222	146,438	3,784
Safety				
Personal services	64,421	73,928	73,928	-
Operating expenses	25,450	23,946	23,946	-
Total safety	89,871	97,874	97,874	-
Medical examiner				
Operating expenses	240,000	178,840	178,840	-

(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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Corrections				
Personal services	\$ 175,000	\$ 84,325	\$ 84,325	\$ -
Corrections Maintenance				
Personal services	42,746	46,728	46,728	-
Operating expenses	359,000	292,611	292,611	-
Capital outlay	150,000	-	-	-
Total corrections maintenance	551,746	339,339	339,339	-
Law Enforcement				
Personal services	435,000	276,560	276,560	-
Judicial				
Capital outlay	-	500,302	500,302	-
Emergency services				
Operating expenses	6,872	-	6,872	(6,872)
Capital outlay	62,129	35,954	35,954	-
Total emergency services	69,001	35,954	42,826	(6,872)
Addressing				
Capital outlay	-	26,175	26,175	-
Total Public Safety	1,724,444	1,709,782	1,712,870	(3,088)
Physical Environment				
Conservation and Resource Management				
Personal services	182,420	191,962	191,962	-
Operating expenses	73,145	63,536	63,536	-
Total conservation and resource management	255,565	255,498	255,498	-
Landscaping				
Personal expenses	117,470	153,666	153,666	-
Operating expenses	44,900	37,216	37,216	-
Total landscaping	162,370	190,882	190,882	-

(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, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Conservation and development				
Grants and aids	\$ 20,646	\$ 7,646	\$ 7,646	\$ -
Florida Forest				
Grants and aids	3,000	3,000	3,000	-
Projects				
Operating expenses	66,600	64,068	62,846	1,222
Capital outlay	-	108,844	107,066	1,778
	<u>66,600</u>	<u>172,912</u>	<u>169,912</u>	<u>3,000</u>
Florida Boating Improvement				
Operating expenses	-	-	1,386	(1,386)
FEMA				
Operating expenses	-	134,859	134,859	-
Local Mitigation Strategy				
Operating expenses	-	3,246	3,246	-
Total Physical Environment	<u>508,181</u>	<u>768,043</u>	<u>766,429</u>	<u>1,614</u>
Economic Environment				
Industry Development				
Grants and aids	-	106,913	106,913	-
Downtown Redevelopment				
Grants and aids	160,000	160,000	148,879	11,121
Veterans Services				
Personal services	99,786	91,536	91,536	-
Operating expenses	9,600	186,141	186,140	1
Capital outlay	-	73,705	73,705	-
Total Veterans services	<u>109,386</u>	<u>351,382</u>	<u>351,381</u>	<u>1</u>
Special Projects				
Capital outlay	250,000	148,827	148,827	-
Total Economic Environment	<u>519,386</u>	<u>767,122</u>	<u>756,000</u>	<u>11,122</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, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Human Services				
Mosquito Control				
Personal services	\$ 19,034	\$ 10,557	\$ 10,557	\$ -
Operating expenses	72,292	32,228	32,228	-
Capital outlay	20,500	11,468	11,468	-
Total mosquito control	111,826	54,253	54,253	-
Human Services				
Grants and aids	1,773,134	1,832,094	1,832,094	-
Mental Health				
Grants and aids	195,000	195,000	195,000	-
Welfare and Public Assistance				
Operating expenses	-	30,352	30,352	-
Grants and aids	121,425	338,425	338,425	-
Total welfare and public assistance	121,425	368,777	368,777	-
Retardation				
Grants and aids	40,000	95,500	95,500	-
Other Human Services				
Grants and aids	10,000	18,000	18,000	-
Total Human Services	2,251,385	2,563,624	2,563,624	-
Culture/Recreation				
Library				
Personal services	518,892	494,096	494,096	-
Operating expenses	175,607	183,136	183,136	-
Total library	694,499	677,232	677,232	-
Ft. White Library				
Personal services	66,532	69,788	69,788	-
Operating expenses	33,000	23,825	23,825	-
Total Ft. White Library	99,532	93,613	93,613	-

(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, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Parks and recreation				
Operating expenses	\$ 45,000	\$ 59,003	\$ 59,003	\$ -
Capital outlay	35,000	1,550,653	1,550,653	-
Grants and aids	306,250	507,111	507,111	-
Total parks and recreation	<u>386,250</u>	<u>2,116,767</u>	<u>2,116,767</u>	<u>-</u>
Special Events				
Grants and aids	-	11,306	11,306	-
Total Culture/Recreation	<u>1,180,281</u>	<u>2,898,918</u>	<u>2,898,918</u>	<u>-</u>
Total Expenditures	<u>10,004,795</u>	<u>12,799,574</u>	<u>12,798,575</u>	<u>999</u>
Excess of revenues over (under) expenditures	<u>15,204,164</u>	<u>12,409,385</u>	<u>13,344,095</u>	<u>934,710</u>
Other financing sources (uses)				
Operating transfers in	495,201	495,201	495,201	-
Operating transfers out	-	-	-	-
Transfer to Officer Funds	(13,794,585)	(14,373,287)	(14,373,287)	-
Total other financing sources (uses)	<u>(13,299,384)</u>	<u>(13,878,086)</u>	<u>(13,878,086)</u>	<u>-</u>
Net change in fund balance	1,904,780	(1,468,701)	(533,991)	934,710
Fund balance, beginning of year	13,202,505	13,202,505	13,202,505	-
Prior period adjustment	249,696	249,696	249,696	-
Fund balance, end of year	<u>\$ 15,356,981</u>	<u>\$ 11,983,500</u>	<u>\$ 12,918,210</u>	<u>\$ 934,710</u>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Sales and use taxes				
County 1 - cent voted gas tax	\$ 616,219	\$ 616,219	\$ 646,194	\$ 29,975
Local option gas tax/alternative fuel	1,591,573	1,591,573	1,655,125	63,552
Small county infrastructure surtax	744,036	744,036	1,050,490	306,454
Total taxes	<u>2,951,828</u>	<u>2,951,828</u>	<u>3,351,809</u>	<u>399,981</u>
Intergovernmental revenue				
Federal grants				
Title III	15,000	15,000	5,920	(9,080)
Federal payments in lieu of taxes				
Federal forestry	125,000	125,000	172,630	47,630
State shared revenues				
General government				
State revenue sharing	585,964	585,964	585,964	-
Fiscally constrained	552,088	552,088	572,480	20,392
Transportation				
Motor fuel tax rebate	-	-	40,869	40,869
Constitutional gas tax	1,514,637	1,514,637	1,510,392	(4,245)
County gas tax	685,536	685,536	658,077	(27,459)
Special and motor fuel use tax	25,000	25,000	6,764	(18,236)
Total intergovernmental revenue	<u>3,503,225</u>	<u>3,503,225</u>	<u>3,553,096</u>	<u>49,871</u>
Charges for services				
Transportation	3,500	3,500	11,235	7,735
Miscellaneous				
Interest				
SBA	15,000	15,000	13,907	(1,093)
Other interest	85,000	85,000	144,291	59,291
Other miscellaneous	20,000	20,000	159,641	139,641
Total miscellaneous	<u>120,000</u>	<u>120,000</u>	<u>317,839</u>	<u>197,839</u>
Total revenues	<u>6,578,553</u>	<u>6,578,553</u>	<u>7,233,979</u>	<u>655,426</u>

(Continued)

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Transportation				
Contracted mowing				
Operating expenses	\$ 265,000	\$ 187,583	\$ 187,582	\$ 1
Total contracted mowing	<u>265,000</u>	<u>187,583</u>	<u>187,582</u>	<u>1</u>
Graded roads				
Personal services	877,867	845,674	845,673	1
Operating expenses	52,250	6,599	8,056	(1,457)
Capital outlay	-	-	2,023,368	(2,023,368)
Debt service	240,000	930,855	955,427	(24,572)
Total graded roads	<u>1,170,117</u>	<u>1,783,128</u>	<u>3,832,524</u>	<u>(2,049,396)</u>
Drainage and equipment				
Personal services	338,291	269,308	269,309	(1)
Operating expenses	377,000	441,403	445,447	(4,044)
Debt service	-	16,630	16,630	-
Total drainage and equipment	<u>715,291</u>	<u>727,341</u>	<u>731,386</u>	<u>(4,045)</u>
Sign shop				
Personal services	121,410	78,860	78,860	-
Operating expenses	336,000	220,771	220,771	-
Total sign shop	<u>457,410</u>	<u>299,631</u>	<u>299,631</u>	<u>-</u>
Repair shop				
Personal services	402,169	372,791	372,791	-
Operating expenses	230,000	244,426	244,427	(1)
Total repair shop	<u>632,169</u>	<u>617,217</u>	<u>617,218</u>	<u>(1)</u>
Stock room				
Personal services	32,268	33,357	33,358	(1)
Operating expenses	456,500	460,548	460,548	-
Total stock room	<u>488,768</u>	<u>493,905</u>	<u>493,906</u>	<u>(1)</u>

(Continued)

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Administration				
Personal services	\$ 629,888	\$ 706,377	\$ 706,377	\$ -
Operating expenses	517,250	714,278	634,850	79,428
Capital outlay	-	30,100	20,279	9,821
Total administration	<u>1,147,138</u>	<u>1,450,755</u>	<u>1,361,506</u>	<u>89,249</u>
Tree trimming				
Personal services	316,513	257,930	257,931	(1)
Operating expenses	40,000	33,022	41,647	(8,625)
Capital outlay	-	32,255	23,630	8,625
Total tree trimming	<u>356,513</u>	<u>323,207</u>	<u>323,208</u>	<u>(1)</u>
Secondary maintenance				
Personal services	137,900	168,993	168,993	-
Operating expenses	12,000	3,917	3,917	-
Total secondary maintenance	<u>149,900</u>	<u>172,910</u>	<u>172,910</u>	<u>-</u>
Roadway enhancements				
Operating expenses	<u>525,000</u>	<u>257,406</u>	<u>257,405</u>	<u>1</u>
Suwannee Valley Transit				
Grants and aids	<u>24,492</u>	<u>27,492</u>	<u>18,369</u>	<u>9,123</u>
Total expenditures	<u>5,931,798</u>	<u>6,340,575</u>	<u>8,295,645</u>	<u>(1,955,070)</u>
Excess of revenues over (under) expenditures	<u>646,755</u>	<u>237,978</u>	<u>(1,061,666)</u>	<u>(1,299,644)</u>
OTHER FINANCING SOURCES (USES)				
Debt proceeds	-	-	1,931,112	1,931,112
Sale of equipment	-	-	883,138	883,138
Total other financing sources uses	<u>-</u>	<u>-</u>	<u>2,814,250</u>	<u>2,814,250</u>
Net change in fund balance	<u>646,755</u>	<u>237,978</u>	<u>1,752,584</u>	<u>1,514,606</u>
Fund balance at beginning of year	<u>(3,304,024)</u>	<u>(3,304,024)</u>	<u>3,304,024</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,950,779</u>	<u>\$ 3,542,002</u>	<u>\$ 5,056,608</u>	<u>\$ 1,514,606</u>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Franchise fees				
Solid waste	\$ 80,000	\$ 80,000	\$ 127,151	\$ 47,151
Licenses and permits				
Professional and occupational	75,000	75,000	76,256	1,256
Building permits	360,000	360,000	353,968	(6,032)
Other licenses and permits				
Permits land use	160,000	160,000	156,274	(3,726)
Building inspection	5,000	5,000	2,789	(2,211)
Total licenses and permits	<u>600,000</u>	<u>600,000</u>	<u>589,287</u>	<u>(10,713)</u>
Intergovernmental				
State grants				
Ecosystem management	-	-	74,848	74,848
State shared revenues				
General government				
Mobile home permits	24,000	24,000	25,807	1,807
State revenue sharing	260,000	260,000	257,828	(2,172)
Communications service taxes	272,028	272,028	246,250	(25,778)
Total intergovernmental	<u>556,028</u>	<u>556,028</u>	<u>604,733</u>	<u>48,705</u>
Fines and forfeitures				
General government				
Violation of local ordinances	500	500	7,275	6,775
Miscellaneous				
Interest earnings				
Interest on investments	66,000	66,000	58,252	(7,748)
Interest SBA and other	15,000	15,000	16,712	1,712
Special assessments/impact fees				
Special assessments				
Fire	2,600,000	2,600,000	2,382,063	(217,937)
Physical environment	3,517,000	3,517,000	2,909,991	(607,009)
Partial year solid waste	75,000	75,000	76,727	1,727
Delinquent fees	5,000	5,000	667,923	662,923
Other miscellaneous				
Special lighting	1,500	1,500	1,388	(112)
Other	500	500	3,486	2,986
Total miscellaneous	<u>6,280,000</u>	<u>6,280,000</u>	<u>6,116,542</u>	<u>(163,458)</u>
Total revenues	<u>7,516,528</u>	<u>7,516,528</u>	<u>7,444,988</u>	<u>(71,540)</u>

(Continued)

See notes to financial statements.

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, 2007

	<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	\$ 98,750	\$ 175,507	\$ 209,267	\$ (33,760)
Financial and administrative				
Operating expenses	<u>155,000</u>	<u>72,199</u>	<u>67,199</u>	<u>5,000</u>
Total general government	<u>253,750</u>	<u>247,706</u>	<u>276,466</u>	<u>(28,760)</u>
Public safety				
Protective inspections				
Personal services	566,901	495,708	495,708	-
Operating expenses	151,900	128,929	136,109	(7,180)
Capital outlay	<u>25,000</u>	<u>22,512</u>	<u>15,332</u>	<u>7,180</u>
Total protective inspections	<u>743,801</u>	<u>647,149</u>	<u>647,149</u>	<u>-</u>
Fire departments				
Personal services	1,443,685	1,506,608	1,506,608	-
Operating expenses	457,000	460,920	496,506	(35,586)
Capital outlay	<u>591,052</u>	<u>441,851</u>	<u>682,501</u>	<u>(240,650)</u>
Total fire departments	<u>2,491,737</u>	<u>2,409,379</u>	<u>2,685,615</u>	<u>(276,236)</u>
Fire control				
Grants and aids	<u>19,364</u>	<u>40,406</u>	<u>40,406</u>	<u>-</u>
Code enforcement				
Personal services	74,975	58,950	58,950	-
Operating expenses	18,300	13,220	60,591	(47,371)
Capital outlay	<u>-</u>	<u>62,218</u>	<u>14,846</u>	<u>47,372</u>
Total code enforcement	<u>93,275</u>	<u>134,388</u>	<u>134,387</u>	<u>1</u>
Addressing services				
Personal services	69,644	95,151	95,151	-
Operating expenses	35,155	29,424	45,712	(16,288)
Capital outlay	<u>-</u>	<u>4,288</u>	<u>-</u>	<u>4,288</u>
Total addressing services	<u>104,799</u>	<u>128,863</u>	<u>140,863</u>	<u>(12,000)</u>
Total public safety	<u>3,452,976</u>	<u>3,360,185</u>	<u>3,648,420</u>	<u>(288,235)</u>
Physical environment				
Operating expenses	<u>3,390,000</u>	<u>3,857,097</u>	<u>3,818,394</u>	<u>38,703</u>
Culture/recreation				
Parks and recreation				
Operating expenses	-	30,272	21,337	8,935
Capital outlay	-	190,979	190,979	-
Grants and aids	<u>45,200</u>	<u>8,948</u>	<u>17,823</u>	<u>(8,875)</u>
Total parks and recreation	<u>45,200</u>	<u>230,199</u>	<u>230,139</u>	<u>60</u>

(Continued)

See notes to financial statements.

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, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Spring Hollow Subdivision				
Operating expenses	\$ -	\$ -	\$ 1,111	\$ (1,111)
Total culture/recreation	45,200	230,199	231,250	(1,051)
Total expenditures	<u>7,141,926</u>	<u>7,695,187</u>	<u>7,974,530</u>	<u>(279,343)</u>
Excess of revenues over (under) expenditures	<u>374,602</u>	<u>(178,659)</u>	<u>(529,542)</u>	<u>(350,883)</u>
OTHER FINANCING SOURCES				
Sale of fixed assets	-	-	55,194	55,194
Interfund transfers in	-	-	82,155	82,155
Debt proceeds	-	-	4,788	4,788
Total other financing sources	<u>-</u>	<u>-</u>	<u>142,137</u>	<u>86,943</u>
Net change in fund balance	374,602	(178,659)	(387,405)	(208,746)
Fund balance beginning of year	1,128,152	1,128,152	1,128,152	-
Prior period adjustment	-	-	288,237	288,237
Fund balance end of year	<u>\$ 1,502,754</u>	<u>\$ 949,493</u>	<u>\$ 1,028,984</u>	<u>\$ 79,491</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Small County Infrastructure Surtax	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Intergovernmental revenue				
State shared revenue				
General government				
State revenue sharing	630,000	630,000	624,439	(5,561)
Racing tax	223,250	223,250	223,250	-
Total intergovernmental revenue	<u>1,153,250</u>	<u>1,153,250</u>	<u>1,147,689</u>	<u>(5,561)</u>
Charges for services				
Public safety				
Ambulance fees	1,200,000	1,200,000	1,209,420	9,420
911 Telephone assessments	-	-	11,845	11,845
Total charges for services	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,221,265</u>	<u>21,265</u>
Miscellaneous				
Interest earnings				
Interest on investments	95,000	95,000	152,031	57,031
Interest SBA	-	-	13,698	13,698
Rents				
Rents and leases	1,800	1,800	2,591	791
Special assessments/impact fees				
Special assessments				
Delinquent special assessments	5,000	5,000	7,370	2,370
City EMS assessments	250,000	250,000	-	(250,000)
Other miscellaneous	500	500	984	484
Total miscellaneous	<u>352,300</u>	<u>352,300</u>	<u>176,674</u>	<u>(175,626)</u>
Total revenues	<u>2,705,550</u>	<u>2,705,550</u>	<u>2,545,628</u>	<u>(159,922)</u>

(Continued)

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
General government				
Legislative				
Operating expenses	\$ 108,750	\$ 211,485	\$ 211,485	\$ -
Financial and administrative				
Operating expenses	-	50,164	-	50,164
Total general government	<u>108,750</u>	<u>261,649</u>	<u>211,485</u>	<u>50,164</u>
Public safety				
Fire departments				
Operating expenses	-	-	23,137	(23,137)
Total fire departments	<u>-</u>	<u>-</u>	<u>23,137</u>	<u>(23,137)</u>
FireControl				
Operating expenses	-	-	27,027	(27,027)
Total fire control	<u>-</u>	<u>-</u>	<u>27,027</u>	<u>(27,027)</u>
EMS Communications				
Operating expenses	150,000	144,634	144,633	1
Total EMS communications	<u>150,000</u>	<u>144,634</u>	<u>144,633</u>	<u>1</u>
EMS billings				
Personal services	105,822	109,512	109,511	1
Operating expenses	20,200	17,236	17,235	1
Total EMS billings	<u>126,022</u>	<u>126,748</u>	<u>126,746</u>	<u>2</u>
EMS Medical Director				
Personal services	17,812	11,515	11,515	-
Total EMS medical director	<u>17,812</u>	<u>11,515</u>	<u>11,515</u>	<u>-</u>
(Continued)				

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Ambulance services				
Personal services	\$ 1,597,373	\$ 1,765,779	\$ 1,765,780	(1)
Operating expenses	436,150	555,081	555,080	1
Capital outlay	-	77,268	77,268	-
Total ambulance services	<u>2,033,523</u>	<u>2,398,128</u>	<u>2,398,128</u>	<u>-</u>
EMS Tower				
Operating expenses	7,900	7,038	7,038	-
Total EMS tower	<u>7,900</u>	<u>7,038</u>	<u>7,038</u>	<u>-</u>
Total public safety	<u>2,335,257</u>	<u>2,688,063</u>	<u>2,738,224</u>	<u>(50,161)</u>
Total expenditures	<u>2,444,007</u>	<u>2,949,712</u>	<u>2,949,709</u>	<u>3</u>
Net change in fund balance	261,543	(244,162)	(404,081)	(159,919)
Fund balance beginning of year	2,998,323	2,998,323	2,998,323	-
Fund balance end of year	<u>\$ 3,259,866</u>	<u>\$ 2,754,161</u>	<u>\$ 2,594,242</u>	<u>\$ (159,919)</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenue				
Federal grants				
IV - D grant	\$ 70,000	\$ 70,000	\$ 69,955	\$ (45)
Charges for services				
General government				
Noncourt related charges				
Recording	225,000	225,000	293,624	68,624
Documentary stamp commissions	37,000	37,000	37,150	150
Marriage licenses fees and charges	22,700	22,700	24,167	1,467
Passports	25,000	25,000	47,820	22,820
Copies	50,000	50,000	50,185	185
Other charges	24,960	24,960	25,274	314
Court related charges				
County court criminal	342,585	342,585	283,430	(59,155)
Circuit court criminal	147,580	147,580	149,110	1,530
County court civil	237,015	237,015	277,249	40,234
Circuit court civil	266,160	266,160	257,200	(8,960)
Traffic	971,350	971,350	958,002	(13,348)
Probate	56,600	56,600	61,571	4,971
Miscellaneous				
Interest	45,472	45,472	58,909	13,437
Total revenues	<u>2,521,422</u>	<u>2,521,422</u>	<u>2,593,646</u>	<u>72,224</u>
EXPENDITURES				
Board of County Commissioners				
Personal services	301,532	301,532	317,163	(15,631)
Operating expenses	1,800	1,800	1,213	587
Total Board of County Commissioners	<u>303,332</u>	<u>303,332</u>	<u>318,376</u>	<u>(15,044)</u>
Other general government				
Personal services	390,004	390,004	387,246	2,758
Operating expenses	41,677	41,677	104,828	(63,151)
Total other general government	<u>431,681</u>	<u>431,681</u>	<u>492,074</u>	<u>(60,393)</u>
Clerk administration				
Personal services	465,136	465,136	424,190	40,946
Operating expenses	32,439	32,439	17,469	14,970
Total Clerk administration	<u>497,575</u>	<u>497,575</u>	<u>441,659</u>	<u>55,916</u>
Court-related payments to State				
Budgeted payments	462,182	462,182	462,182	-
Excess fees	-	-	8,812	(8,812)
Total court-related payments to State	<u>462,182</u>	<u>462,182</u>	<u>470,994</u>	<u>(8,812)</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Jury Management				
Personal services	\$ 22,684	\$ 22,684	\$ 24,504	\$ (1,820)
Operating expenses	1,474	1,474	496	978
Total jury management	24,158	24,158	25,000	(842)
Circuit Criminal				
Personal services	194,066	194,066	210,415	(16,349)
Operating expenses	22,117	22,117	11,972	10,145
Total circuit criminal	216,183	216,183	222,387	(6,204)
Circuit Civil				
Personal services	77,359	77,359	82,769	(5,410)
Operating expenses	7,372	7,372	2,764	4,608
Total circuit civil	84,731	84,731	85,533	(802)
Circuit Family				
Personal services	116,818	116,818	169,161	(52,343)
Operating expenses	25,066	25,066	14,265	10,801
Total circuit family	141,884	141,884	183,426	(41,542)
Circuit Juvenile				
Personal services	63,571	63,571	71,304	(7,733)
Operating expenses	7,372	7,372	2,625	4,747
Total circuit juvenile	70,943	70,943	73,929	(2,986)
Circuit Probate				
Personal services	42,866	42,866	48,893	(6,027)
Operating expenses	4,423	4,423	1,427	2,996
Total circuit probate	47,289	47,289	50,320	(3,031)
Information Technology				
Personal services	61,161	61,161	66,579	(5,418)
Operating expenses	7,290	7,290	4,204	3,086
Total information technology	68,451	68,451	70,783	(2,332)

(Continued)

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
County Criminal				
Personal services	\$ 185,222	\$ 185,222	\$ 170,534	\$ 14,688
Operating expenses	22,117	22,117	9,638	12,479
Total county criminal	<u>207,339</u>	<u>207,339</u>	<u>180,172</u>	<u>27,167</u>
County Civil				
Personal services	78,676	78,676	74,566	4,110
Operating expenses	7,372	7,372	2,435	4,937
Total county civil	<u>86,048</u>	<u>86,048</u>	<u>77,001</u>	<u>9,047</u>
County Traffic				
Personal services	165,265	165,265	173,956	(8,691)
Operating services	17,693	17,693	10,741	6,952
Total county traffic	<u>182,958</u>	<u>182,958</u>	<u>184,697</u>	<u>(1,739)</u>
Total expenditures	<u>2,824,754</u>	<u>2,824,754</u>	<u>2,876,351</u>	<u>(51,597)</u>
Excess of revenues over (under) expenditures	<u>(303,332)</u>	<u>(303,332)</u>	<u>(282,705)</u>	<u>20,627</u>
Other financing sources				
Transfers from Board of County Commissioners	303,332	303,332	235,435	(67,897)
Interfund transfers in	-	-	47,270	47,270
Total other financing sources	<u>303,332</u>	<u>303,332</u>	<u>282,705</u>	<u>(20,627)</u>
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
Federal grants				
E. Byrne Memorial	\$ -	\$ 35,172	\$ 38,101	\$ 2,929
STOP	-	58,409	72,321	13,912
Bullet proof vest	-	-	17,144	17,144
Charges for Services				
Public safety				
Police services	-	-	238,923	238,923
Miscellaneous				
Other	-	-	3,350	3,350
Total revenue	-	93,581	369,839	276,258
Expenditures				
Administration				
Personal services	932,899	929,039	859,572	69,467
Operating expenses	124,594	152,102	92,199	59,903
Capital outlay	-	45,867	26,272	19,595
Debt service	-	-	89,377	(89,377)
Total administration	1,057,493	1,127,008	1,067,420	59,588
Road Patrol				
Personal services	2,011,181	2,020,333	2,061,349	(41,016)
Operating expenses	540,132	545,643	654,976	(109,333)
Capital outlay	125,000	530,396	466,020	64,376
Total road patrol	2,676,313	3,096,372	3,182,345	(85,973)
Detective				
Personal services	685,786	696,950	747,725	(50,775)
Operating expenses	164,755	171,966	164,852	7,114
Total Detective	850,541	868,916	912,577	(43,661)
Courts Judicial				
Personal services	972,621	1,067,822	934,950	132,872
Operating expenses	180,666	180,166	191,212	(11,046)
Capital outlay	-	18,505	10,211	8,294
Total court judicial	1,153,287	1,266,493	1,136,373	130,120

(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, 2007

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		Positive (Negative)
Records Evidence				
Personal services	\$ 161,667	\$ 161,667	\$ 150,701	\$ 10,966
Operating expenses	30,633	36,144	35,100	1,044
Capital outlay	-	987	987	-
Total records evidence	192,300	198,798	186,788	12,010
Communications				
Personal services	717,149	746,380	753,419	(7,039)
Operating expenses	205,488	182,275	122,592	59,683
Capital outlay	-	5,301	5,301	-
Total communications	922,637	933,956	881,312	52,644
Corrections				
Personal services	2,795,164	2,795,164	2,719,216	75,948
Operating expenses	1,164,355	1,170,742	1,378,874	(208,132)
Capital outlay	30,000	34,174	27,583	6,591
Total corrections	3,989,519	4,000,080	4,125,673	(125,593)
Sheriff Task Force				
Personal services	407,526	414,864	401,974	12,890
Operating expenses	75,123	75,123	120,500	(45,377)
Total Sheriff Task Force	482,649	489,987	522,474	(32,487)
Community Affairs				
Personal services	470,630	470,631	601,156	(130,525)
Operating expenses	114,121	112,921	78,189	34,732
Total community affairs	584,751	583,552	679,345	(95,793)
Bullet Proof Vest				
Operating expenses	-	-	21,246	(21,246)
STOP				
Personal services	48,466	90,014	88,027	1,987
Operating expenses	-	5,427	6,287	(860)
Capital outlay	-	-	992	(992)
Total Stop	48,466	95,441	95,306	135
E. Byrne Memorial Grant				
Personal services	-	21,983	35,172	(13,189)
Operation Snow Wash				
Personal services	-	-	95,742	(95,742)
Total Operation Snow Wash	-	-	95,742	(95,742)
Total expenditures	11,957,956	12,682,586	12,941,773	(259,187)

(Continued) See notes to financial statements.

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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Excess of revenues over (under) expenditures	\$ (11,957,956)	\$ (12,589,005)	\$ (12,571,934)	\$ (17,071)
Other financing sources				
Transfers from the Board of County Commissioners	<u>11,957,956</u>	<u>12,589,005</u>	<u>12,571,934</u>	<u>17,071</u>
Total other financing sources	<u>11,957,956</u>	<u>12,589,005</u>	<u>12,571,934</u>	<u>17,071</u>
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				
State grants				
Economic Development				
Transportation Trust	\$ 2,826,000	\$ 2,826,000	\$ 2,000,000	\$ (826,000)
Total intergovernmental	<u>2,826,000</u>	<u>2,826,000</u>	<u>2,000,000</u>	<u>(826,000)</u>
Miscellaneous				
Interest	10,000	10,000	208,079	198,079
Other miscellaneous	-	-	2,082	2,082
Total miscellaneous	<u>10,000</u>	<u>10,000</u>	<u>210,161</u>	<u>200,161</u>
Total revenues	<u>2,836,000</u>	<u>2,836,000</u>	<u>2,210,161</u>	<u>(625,839)</u>
EXPENDITURES				
Legislative				
Operating expenses	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Transportation				
Road and street legislative				
Operating expenses	<u>100,000</u>	<u>100,000</u>	<u>62,209</u>	<u>37,791</u>
Total road and street legislative	<u>100,000</u>	<u>100,000</u>	<u>62,209</u>	<u>37,791</u>
US 90 to CSX				
Operating expenses	-	-	57,905	(57,905)
Capital outlay	<u>6,874,200</u>	<u>6,874,200</u>	<u>1,278</u>	<u>6,872,922</u>
Total US 90 to CSX	<u>6,874,200</u>	<u>6,874,200</u>	<u>59,183</u>	<u>6,815,017</u>
CSX Railroad Bridge				
Operating expenses	<u>-</u>	<u>-</u>	<u>129,957</u>	<u>(129,957)</u>
CSX to US 41				
Operating expenses	-	-	105,471	(105,471)
Capital outlay	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>(2,500)</u>
Total CSX to US 41	<u>-</u>	<u>-</u>	<u>107,971</u>	<u>(107,971)</u>
Real Road extension				
Capital outlay	<u>-</u>	<u>-</u>	<u>27,431</u>	<u>(27,431)</u>
Total transportation	<u>6,974,200</u>	<u>6,974,200</u>	<u>386,751</u>	<u>6,587,449</u>
Total expenditures	<u>6,994,200</u>	<u>6,994,200</u>	<u>406,751</u>	<u>6,587,449</u>

(Continued)

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, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Excess of revenues over (under) expenditures	\$(4,158,200)	\$ (4,158,200)	\$ 1,803,410	\$ 5,961,610
Fund balance at beginning of year	<u>3,941,788</u>	<u>3,941,788</u>	<u>3,941,788</u>	-
Fund balance at end of year	<u><u>\$ (216,412)</u></u>	<u><u>\$ (216,412)</u></u>	<u><u>\$ 5,745,198</u></u>	<u><u>\$ 5,961,610</u></u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

ECONOMIC DEVELOPMENT DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2007

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				
State shared revenues				
Half-cent sales tax	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ -
Grants from other local units	-	-	583,000	583,000
Total intergovernmental	<u>1,600,000</u>	<u>1,600,000</u>	<u>2,183,000</u>	<u>583,000</u>
Miscellaneous				
Interest	25,000	-	5,245	5,245
Rents	177,304	191,687	177,305	(14,382)
Other	-	6,136	2,023	(4,113)
Total miscellaneous	<u>202,304</u>	<u>197,823</u>	<u>184,573</u>	<u>(13,250)</u>
Total revenues	<u>1,802,304</u>	<u>1,797,823</u>	<u>2,367,573</u>	<u>569,750</u>
EXPENDITURES				
Economic environment				
New Millennium Project				
Debt service	1,141,429	1,139,080	1,139,680	(600)
Target				
Operating expenses	-	-	254,595	(254,595)
Capital outlay	330,000	3,285,400	2,827,107	458,293
	<u>330,000</u>	<u>3,285,400</u>	<u>3,081,702</u>	<u>203,698</u>
Industry Development				
Grants and aids	50,000	254,595	-	254,595
Homes of Merit				
Debt service	176,000	970,635	970,635	-
Total expenditures	<u>1,697,429</u>	<u>5,649,710</u>	<u>5,192,017</u>	<u>457,693</u>
Excess of revenues over (under) expenditures	104,875	(3,851,887)	(2,824,444)	1,027,443
Other financing sources				
Debt proceeds	-	-	840,000	840,000
Net change in fund balance	<u>104,875</u>	<u>(3,851,887)</u>	<u>(1,984,444)</u>	<u>1,867,443</u>
Fund balance beginning of year	124,604	124,604	124,604	-
Fund balance end of year	<u>\$ 229,479</u>	<u>\$ (3,727,283)</u>	<u>\$ (1,859,840)</u>	<u>\$ 1,867,443</u>

See notes to financial statements.

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, 2007

	Budgeted amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Infrastructure surtax	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
Intergovernmental				
State grants				
Transportation				
Small County Road Assistance Program	4,181,981	4,181,981	1,507,548	(2,674,433)
Small County Outreach	2,157,120	2,157,120	1,659,974	(497,146)
State shared revenues				
General government				
Half-cent sales tax	2,500,000	2,500,000	-	(2,500,000)
Total intergovernmental	8,839,101	8,839,101	3,167,522	(5,671,579)
Miscellaneous				
Interest	5,000	5,000	61,436	56,436
Paving assessments	31,000	31,000	30,730	(270)
Total miscellaneous	36,000	36,000	92,166	56,166
Total revenues	8,875,101	8,875,101	5,759,688	(3,115,413)
EXPENDITURES				
Transportation				
Rolling Oaks				
Operating expenses	-	2,826	2,826	-
Capital outlay	-	1,269,501	1,269,501	-
Total Rolling Oaks	-	1,272,327	1,272,327	-
CR 138				
Operating expenses	-	-	1,026	(1,026)
Booker - T Combs Road				
Operating expenses	-	1,440	1,439	1
Lake Jeffery Road				
Capital outlay	-	21,830	21,830	-
Stewart Circle				
Capital outlay	-	11,250	11,250	-

(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, 2007

	Budgeted amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Fiddler's Way Operating expenses	\$ -	\$ 1,375	\$ 1,375	\$ -
CR 138 Capital outlay	1,920,000	1,761,275	1,761,275	-
Lulu Area Capital outlay	200,000	262,462	262,462	-
CR 240 (247-47) Capital outlay	1,300,000	933,733	933,733	-
CR 133 Capital outlay	-	616,033	616,033	-
Kerce Road Operating expenses	-	-	579	(579)
Woodland Avenue Capital outlay	-	232,233	232,233	-
Turner Road Operating expenses	750,000	7,725	7,725	-
Brown Road Operating expenses	-	8,683	8,683	-
Other road projects Capital outlay	4,165,000	-	-	-
Total expenditures	8,335,000	5,130,366	5,131,970	(1,604)
Excess of revenues over (under) expenditures	540,101	3,744,735	627,718	(3,117,017)
Other Financing Sources (Uses) Transfers out	-	-	(169,356)	(169,356)
Net change in fund balance	540,101	3,744,735	458,362	(3,286,373)
Fund balance beginning of year	3,584,629	3,584,629	3,584,629	-
Fund balance end of year	<u>\$ 4,124,730</u>	<u>\$ 7,329,364</u>	<u>\$ 4,042,991</u>	<u>\$ (3,286,373)</u>

FUND COMBINING STATEMENTS

COLUMBIA COUNTY, FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2007

	Clerk of Courts		Property	Special	
	Public Records		Appraiser	Minimum	
	Modernization		Operating	Standards	
	Trust	Teen Court		School	Forfeiture
ASSETS					
Current assets					
Cash	\$ 197,563	\$ 664	\$ 29,249	\$ 18,757	\$ 2,917
Accounts receivable	-	-	765	-	-
Due from other funds	10,959	586	-	2,213	-
Due from other governmental units	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 208,522	\$ 1,250	\$ 30,014	\$ 20,970	\$ 2,917
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Current liabilities					
Accounts payable	\$ 32,218	\$ 542	\$ -	\$ -	\$ -
Accrued payroll deductions and matching	-	-	-	-	-
Due to other funds	47,270	-	26,449	-	-
Due to other governmental units	-	-	3,565	-	-
Revenues collected in advance	-	-	-	-	-
Other current liabilities	-	-	-	-	-
Total liabilities	79,488	542	30,014	-	-
FUND BALANCES					
Unreserved fund balances	129,034	708	-	20,970	2,917
Total fund balances	129,034	708	-	20,970	2,917
Total liabilities and fund balances	\$ 208,522	\$ 1,250	\$ 30,014	\$ 20,970	\$ 2,917

COLUMBIA COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

September 30, 2007

Revenue		Funds				
Sheriff			Supervisor of Elections	Tax Collector		
Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	Community Development Block Grant	Court Reporters
\$ 50,256	\$ 648,724	\$ 21,895	\$ 13,802	\$ 460,853	\$ 49	\$ 83,881
-	-	-	-	-	-	-
-	-	-	-	19,976	-	-
-	-	-	-	527	-	-
-	-	-	-	-	-	-
<u>\$ 50,256</u>	<u>\$ 648,724</u>	<u>\$ 21,895</u>	<u>\$ 13,802</u>	<u>\$ 481,356</u>	<u>\$ 49</u>	<u>\$ 83,881</u>
-	-	-	-	5,369	-	100
345	-	-	-	11,574	-	-
-	-	-	1,021	423,380	-	-
-	-	-	-	41,033	-	-
-	-	-	12,781	-	-	-
-	-	-	-	-	-	-
<u>345</u>	<u>-</u>	<u>-</u>	<u>13,802</u>	<u>481,356</u>	<u>-</u>	<u>100</u>
49,911	648,724	21,895	-	-	49	83,781
49,911	648,724	21,895	-	-	49	83,781
<u>\$ 50,256</u>	<u>\$ 648,724</u>	<u>\$ 21,895</u>	<u>\$ 13,802</u>	<u>\$ 481,356</u>	<u>\$ 49</u>	<u>\$ 83,881</u>

COLUMBIA COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

September 30, 2007

	Special Revenue Funds				
	Board of County				
	Court Service	Industrial Development Authority	Law Enforcement Special	Law Library	Library Enhancement Grant
ASSETS					
Cash	\$ 744,489	\$ 411,902	\$ 49,548	\$ 3,946	\$ 747,698
Accounts receivable	-	112	-	-	2,465
Due from other funds	16,983	-	-	-	-
Due from other governmental units	-	-	-	-	-
Investments	-	-	1,390	-	1,322,054
Total assets	\$ 761,472	\$ 412,014	\$ 50,938	\$ 3,946	\$ 2,072,217
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Current liabilities					
Accounts payable	\$ -	\$ -	\$ 500	\$ -	\$ 401
Accrued payroll deductions and matching	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Revenues collected in advance	-	-	-	-	705
Other current liabilities	-	1,617	-	-	-
Total liabilities	-	1,617	500	-	1,106
FUND BALANCES					
Unreserved fund balances	761,472	410,397	50,438	3,946	2,071,111
Total fund balances	761,472	410,397	50,438	3,946	2,071,111
Total liabilities and fund balances	\$ 761,472	\$ 412,014	\$ 50,938	\$ 3,946	\$ 2,072,217

COLUMBIA COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

September 30, 2007

Commissioners		Debt Service Funds			Capital Projects	Total Nonmajor Governmental Funds
Local Housing Assistance	Tourist Development Tax	Jail	Road Improvement	Tourist Development	Paving Assess- ments	
\$ 257,056	\$ 58,343	\$ -	\$ -	\$ 464,918	\$ -	\$ 4,266,510
-	4,650	-	-	-	-	7,992
-	-	1,762,345	-	-	384	1,813,446
-	27,371	319,972	34,232	-	-	382,102
-	-	-	-	47,482	-	1,370,926
<u>\$ 257,056</u>	<u>\$ 90,364</u>	<u>\$ 2,082,317</u>	<u>\$ 34,232</u>	<u>\$ 512,400</u>	<u>384</u>	<u>7,840,976</u>
\$ 3,599	\$ 2,124	\$ -	\$ -	\$ -	-	44,853
-	-	-	-	-	-	11,919
28,769	-	-	345,678	-	381,716	1,254,283
-	-	-	-	-	-	44,598
-	-	-	-	-	-	13,486
-	-	-	-	-	-	1,617
<u>32,368</u>	<u>2,124</u>	<u>-</u>	<u>345,678</u>	<u>-</u>	<u>381,716</u>	<u>1,370,756</u>
224,688	88,240	2,082,317	(311,446)	512,400	(381,332)	6,470,220
224,688	88,240	2,082,317	(311,446)	512,400	(381,332)	6,470,220
<u>\$ 257,056</u>	<u>\$ 90,364</u>	<u>\$ 2,082,317</u>	<u>\$ 34,232</u>	<u>\$ 512,400</u>	<u>\$ 384</u>	<u>\$ 7,840,976</u>

COLUMBIA COUNTY, FLORIDA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

	Clerk of Courts		Property	Special	
	Public Records		Appraiser	Minimum	
	Modernization		Operating	Standards	
	Trust	Teen Court		School	Forfeiture
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	-	-	-
Charges for services	172,483	41,461	135,308	-	-
Fines and forfeitures	-	-	-	29,859	803
Miscellaneous	-	1	4,482	5,171	28
Total revenues	172,483	41,462	139,790	35,030	831
EXPENDITURES					
Current Expenditures					
General government	48,460	-	1,143,693	-	-
Public safety	-	-	-	30,049	-
Economic environment	-	-	-	-	-
Culture/recreation	-	-	-	-	-
Court - related	131,076	40,867	-	-	-
Capital outlay					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Court - related	5,520	-	-	-	-
Debt service					
Transportation					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Economic environment					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	185,056	40,867	1,143,693	30,049	-
Excess of revenues over (under) expenditures	(12,573)	595	(1,003,903)	4,981	831
OTHER FINANCING SOURCES (USES)					
Interfund transfers in	-	-	1,003,903	-	-
Interfund transfers out	(47,270)	-	-	-	-
Total other financing sources (uses)	(47,270)	-	1,003,903	-	-
Net change in fund balances	(59,843)	595	-	4,981	831
Fund balances beginning of year	188,877	113	-	15,989	2,086
Fund balances end of year	\$ 129,034	\$ 708	\$ -	\$ 20,970	\$ 2,917

COLUMBIA COUNTY, FLORIDA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

Revenue Funds						
Sheriff			Supervisor of Elections	Tax Collector	Community Development Block Grant	Court Reporters
Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	4,792	-	-	106,985
150,000	-	21,892	-	1,215,472	-	160,433
-	703,613	-	-	-	-	-
99,387	18,562	311	629	30,642	-	-
<u>249,387</u>	<u>722,175</u>	<u>22,203</u>	<u>5,421</u>	<u>1,246,114</u>	<u>-</u>	<u>267,418</u>
-	-	-	567,435	1,240,058	-	206,943
233,096	261,188	11,390	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	6,056	-	-
20,945	125,306	28,108	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>254,041</u>	<u>386,494</u>	<u>39,498</u>	<u>567,435</u>	<u>1,246,114</u>	<u>-</u>	<u>206,943</u>
<u>(4,654)</u>	<u>335,681</u>	<u>(17,295)</u>	<u>(562,014)</u>	<u>-</u>	<u>-</u>	<u>60,475</u>
-	95,073	-	562,014	-	-	-
-	-	-	-	-	-	-
-	95,073	-	562,014	-	-	-
(4,654)	430,754	(17,295)	-	-	-	60,475
54,565	217,970	39,190	-	-	49	23,306
<u>\$ 49,911</u>	<u>\$ 648,724</u>	<u>\$ 21,895</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49</u>	<u>\$ 83,781</u>

COLUMBIA COUNTY, FLORIDA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

	Special Revenue Funds				
	Board of County				
	Court Service	Industrial Development Authority	Law Enforcement Special	Law Library	Library Enhancement Grant
REVENUES					
Taxes	\$ 275,001	\$ 310,150	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	-	-	618,355
Charges for services	266,872	-	-	-	-
Fines and forfeitures	-	-	25,233	-	-
Miscellaneous	25,352	15,001	3,210	-	80,145
Total revenues	567,225	325,151	28,443	-	698,500
EXPENDITURES					
Current Expenditures					
General government	17,000	-	-	175	-
Public safety	-	-	-	-	-
Economic environment	-	243,571	-	-	-
Culture/recreation	-	-	-	-	743,794
Court -related	315,900	-	-	-	-
Capital outlay					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Court -related	-	-	-	-	-
Debt service					
Transportation					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Economic environment					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	332,900	243,571	-	175	743,794
Excess of revenues over (under) expenditures	234,325	81,580	28,443	(175)	(45,294)
OTHER FINANCING SOURCES (USES)					
Interfund transfers in	-	-	-	-	-
Interfund transfers out	-	-	(95,072)	-	-
Total other financing sources (uses)	-	-	(95,072)	-	-
Net change in fund balances	234,325	81,580	(66,629)	(175)	(45,294)
Fund balances beginning of year	527,147	328,817	117,067	4,121	2,116,405
Fund balances end of year	\$ 761,472	\$ 410,397	\$ 50,438	\$ 3,946	\$ 2,071,111

COLUMBIA COUNTY, FLORIDA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

Commissioners		Debt Service Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
Local Housing Assistance	Tourist Development Tax	Jail	Road Improvement	Tourist Development	Paving Assess- ments	
\$ -	\$ 289,064	\$ -	\$ 900,000	\$ 93,201	\$ -	\$ 1,867,416
291,997	4,167	2,473,048	-	-	-	3,499,344
-	-	-	-	-	-	2,163,921
-	-	-	-	-	-	759,508
276	88,934	17,269	2,538	20,502	48	412,488
292,273	382,165	2,490,317	902,538	113,703	48	8,702,677
-	-	-	-	-	-	3,223,764
-	-	-	-	-	-	535,723
724,194	362,029	-	-	-	-	1,329,794
-	-	-	-	-	-	743,794
-	-	-	-	-	-	487,843
-	-	-	-	-	-	6,056
-	-	-	-	-	-	174,359
-	-	-	-	-	-	5,520
-	-	-	786,646	-	-	786,646
-	-	-	45,443	-	-	45,443
-	-	-	-	65,231	-	65,231
-	-	-	-	33,324	-	33,324
724,194	362,029	-	832,089	98,555	-	7,437,497
(431,921)	20,136	2,490,317	70,449	15,148	48	1,265,180
-	-	-	-	-	-	1,660,990
-	-	(408,000)	-	-	-	(550,342)
-	-	(408,000)	-	-	-	1,110,648
(431,921)	20,136	2,082,317	70,449	15,148	48	2,375,828
656,609	68,104	-	(381,895)	497,252	(381,380)	4,094,392
\$ 224,688	\$ 88,240	\$ 2,082,317	\$ (311,446)	\$ 512,400	\$ (381,332)	\$ 6,470,220

SINGLE AUDIT AND COMPLIANCE SECTION

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the major funds, and the aggregate remaining fund information of Columbia County, Florida, (the County) as of and for the year ended September 30, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 27, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

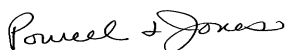
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

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

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

However, we noted certain matters that we reported to management of the County in a separate letter dated June 13, 2008 on pages 105 - 108.

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



POWELL & JONES
June 27, 2008

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

To the 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 Executive Office of the Governor's State Projects Compliance Supplement, that are applicable to each of its major state financial assistance projects for the year ended September 30, 2007. Columbia County, Florida's major 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 state financial assistance projects is the responsibility of Columbia County, Florida's management. Our responsibility is to express an opinion on Columbia County, Florida's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General. Those standards, 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 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 state financial assistance projects for the year ended September 30, 2007.

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 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 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 Chapter 10.550, Rules of the Auditor General.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the

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

Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the basic financial statements of Columbia County, Florida as of and for the year ended September 30, 2007, and have issued our report thereon dated June 27, 2008. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for the purposes of additional analysis and as required by Chapter 10.550, Rules of the Auditor General and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



POWELL & JONES
Certified Public Accountants
June 27, 2008

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2007

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2007
FEDERAL AWARDS								
<i>NONMAJOR PROGRAMS</i>								
<i>Federal Environmental Protection Agency</i>								
<i>passed through Florida Department of Environmental Protection</i>								
Capitalization Grant for Clean Water State Revolving Funds	66.458	WW74202P	\$ 755,809	\$ 26,000	\$ 145,962	\$ 3,592	\$ 28,812	\$ 120,742
Capitalization Grant for Drinking Water State Revolving Funds	66.468	DW1201010	240,000	-	45,000	1,195	1,195	45,000
			<u>995,809</u>	<u>26,000</u>	<u>190,962</u>	<u>4,788</u>	<u>30,008</u>	<u>165,742</u>
<i>US Department of Justice</i>								
<i>passed through Florida Department of Law Enforcement</i>								
E. Byrne Memorial Justice Assistance Grant/MJTF JAG #10	16.738	2007-JAGC-COLU-1-P3-181	38,103	-	-	38,103	38,103	-
<i>passed through Florida Department of Children and Families</i>								
Stop Violence Against Women Grant	16.588	LN017	252,733	84,831	-	72,321	72,321	-
<i>US Department of Homeland Security</i>								
<i>passed through the Florida Department of Community Affairs</i>								
Homeland Security Grant	97.067	06-DS-3W-03-22-01-346	34,622	-	-	33,866	33,866	-
<i>US Department of Justice</i>								
<i>Bureau of Justice Assistance/Office of Crimminal Justice Grants</i>								
Bulletproof Vest Grant	16.607	FY2006	17,144	-	-	17,144	17,144	-
<i>US Department of Homeland Security</i>								
<i>passed through the Florida Department of Community Affairs</i>								
Emergency Management Performance Grant	97.042	07-BG-04-03-22-01-277	15,747	-	-	15,747	15,747	-
Emergency Management Planning Grant	97.004	07-DS-2N-03-22-01-429	4,500	-	-	4,500	4,500	-
			<u>20,247</u>	<u>-</u>	<u>-</u>	<u>20,247</u>	<u>20,247</u>	<u>-</u>
<i>Federal Bureau of Land Management</i>								
<i>passed through Florida Department of Agriculture and Consumer Services</i>								
Title IV-A Rural Fire Grant	15.228	2006 VFD	2,553	-	-	2,553	2,553	-
<i>U.S. Department of Health and Human Services</i>								
<i>passed through Florida Department of Revenue</i>								
Title IV-D Funds	93.563	CC312	425,179	355,216	-	69,963	69,963	-
<i>Help America Vote Act</i>								
<i>passed through State of Florida Division of Elections</i>								
Voting Systems Assistance/Pollworker Recruitment	90.400	FY 06/07	3,328	-	6,043	3,328	1,682	7,689
<i>General Services Administration</i>								
<i>passed through State of Florida Division of Elections</i>								
Election Reform Payments/Voter Education Funds	39.011	FY 06/07	6,656	-	1,547	6,656	3,110	5,093
Total federal awards			<u>\$1,796,373</u>	<u>\$ 466,047</u>	<u>\$ 198,552</u>	<u>\$ 268,968</u>	<u>\$ 288,996</u>	<u>\$ 178,523</u>

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2007

Federal and State Grantor/Pass Through Grantor Program Title	CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2007
STATE FINANCIAL ASSISTANCE								
<i>MAJOR PROGRAMS</i>								
<i>Office of the Governor</i>								
Economic Development Transportation Trust Grant (EDTF)	31.002	04-00288	\$2,000,000	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -
<i>Florida Department of Transportation</i>								
Small County Outreach Program/SCOPE CR 138	55.016	211661-5-58-01	678,047	-	-	678,047	678,047	-
Small County Road Assistance Program/SCRAP CR 242	55.009	417313-1-58-01	1,659,974	-	-	1,659,974	1,659,974	-
Small County Road Assistance Program/SCRAP CR 240	55.016	211683-2-58-01	1,675,195	845,694	-	829,501	829,501	-
			<u>4,013,216</u>	<u>845,694</u>	<u>-</u>	<u>3,167,522</u>	<u>3,167,522</u>	<u>-</u>
<i>State Housing Initiatives Program</i>								
SHIP Funds 2007	52.901	FY 2006/07	575,179	-	575,179	-	575,179	-
SHIP Funds 2008	52.901	FY 2007/08	583,992	-	-	291,996	148,691	143,305
			<u>1,159,171</u>	<u>-</u>	<u>575,179</u>	<u>291,996</u>	<u>723,870</u>	<u>143,305</u>
<i>Total major programs</i>			<u>7,172,387</u>	<u>845,694</u>	<u>575,179</u>	<u>5,459,518</u>	<u>5,891,392</u>	<u>143,305</u>
<i>NONMAJOR PROGRAMS:</i>								
<i>Department of State</i>								
<i>Division of Library Information Services</i>								
Gates Grant	45.030	06-GATES-08	15,000	-	-	15,000	-	15,000
State Aid to Libraries Operating/Equalization Grant	45.030	06-ST-13	701,897	105,081	596,816	-	596,816	-
State Aid to Libraries Operating/Equalization Grant	45.030	07-ST-13	648,200	-	-	648,200	176,848	471,352
			<u>1,365,097</u>	<u>105,081</u>	<u>596,816</u>	<u>663,200</u>	<u>773,664</u>	<u>486,352</u>
<i>Department of Environmental Protection</i>								
Ecosystem Management and Restoration Grant	37.039	LP6025	400,000	-	-	74,848	74,848	-
Florida Recreation Development Assistance Program (FRDAP)	37.017	F6195	200,000	-	-	92,480	92,480	-
Small County Solid Waste Grant Agreement	37.012	SC704	191,176	-	-	191,176	191,176	-
			<u>791,176</u>	<u>-</u>	<u>-</u>	<u>358,504</u>	<u>358,504</u>	<u>-</u>
<i>Department of Agriculture and Consumer Services</i>								
Arthropod Mosquito Control State Aid	42.003	FY06/07	37,000	-	-	37,000	37,000	-
<i>Department of Community Affairs</i>								
Capital Improvements Element Technical Assistance Grant	52.033		3,000	-	-	3,000	3,000	-
Capital Improvements Element Technical Assistance Grant	52.033		5,500	-	-	5,500	5,500	-
Emergency Management Performance Grant/MATCH	52.008	07-BG-04-03-22-01-277	102,959	-	-	102,959	102,959	-
			<u>111,459</u>	<u>-</u>	<u>-</u>	<u>111,459</u>	<u>111,459</u>	<u>-</u>
<i>Department of Health</i>								
Emergency Medical Services County Grant Program	64.005	C1012	21,170	-	21,170	-	-	21,170
Emergency Medical Services County Grant Program	64.005	C2012	20,121	-	20,121	-	-	20,121
Emergency Medical Services County Grant Program	64.005	C3012	43,208	-	43,208	-	-	43,208
			<u>84,499</u>	<u>-</u>	<u>84,499</u>	<u>-</u>	<u>-</u>	<u>84,499</u>

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2007

<u>Federal and State Grantor/Pass Through Grantor Program Title</u>	<u>CSFA#</u>	<u>GRANT #</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REPORTED IN PRIOR YEARS</u>	<u>DEFERRED IN PRIOR YEARS</u>	<u>REVENUES RECOGNIZED</u>	<u>EXPENDITURES</u>	<u>DEFERRED REVENUES 9/30/2007</u>
<i>Florida Department of Law Enforcement</i> Drug Control/Money Laundering Investigations Grant	71.005	FY 2005/2006	<u>100,000</u>	-	<u>53,775</u>	-	<u>47,085</u>	<u>6,690</u>
<i>Florida Wireless 911 Board</i> Rural County Grant/911 Grant		FY 2006/2007	<u>2,484</u>	-	-	<u>2,484</u>	<u>2,484</u>	-
Total nonmajor programs			<u>2,491,715</u>	<u>105,081</u>	<u>735,090</u>	<u>1,172,647</u>	<u>1,330,196</u>	<u>577,541</u>
Total state financial assistance			<u>\$9,664,102</u>	<u>\$ 950,775</u>	<u>\$ 1,310,269</u>	<u>\$ 6,632,165</u>	<u>\$ 7,221,588</u>	<u>\$ 720,846</u>

COLUMBIA COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2007

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 related 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 60 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

NOTE 2. E. BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT 2007-JAGC-COLU-2-P3-194

The County entered into a grant agreement with U.S. Department of Justice as passed through the Florida Department of Law Enforcement for an E. Byrne Memorial Justice Assistance Grant (#2007-JAGC-COLU-2-P3-194) in the amount of \$25,402. This grant was actually obtained by the County for the City of Lake City. The City of Lake City received the grant revenues directly from and submitted the required reports directly to the Florida Department of Law Enforcement. The amounts received and expended are reported in the City of Lake City's Schedule of Expenditures of Federal Awards and State Financial Assistance Projects and is not reflected in the County's schedules.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2007

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

State Financial Assistance

Internal control over major projects:	
* Material weakness identified?	No
* Reportable conditions identified that are 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 Rule 10.656, <i>Rules of the Auditor General</i> ?	No

Identification of major programs:

<u>CSFA Number</u>	<u>Name of State Programs</u>
31.002	Office of the Governor Economic Development Transportation Trust Program
52.901	State Housing Initiatives Program
55.016	Department of Transportation: Small County Road Assistance Program
55.009	Small County Outreach Program

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

State Financial Assistance 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 the Columbia County, Florida, as of and for the year ended September 30, 2007, and have issued our report thereon dated June 27, 2008.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated June 27, 2008, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

BOARD OF COUNTY COMMISSIONERS

PRIOR YEAR FINDINGS

Fuel Purchases - From our review of vehicle fuel purchases by the Fire and Tourist Development Departments, we found instances where the vehicle odometer readings were not recorded on the vendor automated billing system. For proper accountability, odometer readings should be recorded for each vehicle fuel purchase and the resulting usage reports should be examined and reconciled for any resulting out-of-range readings.

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

CURRENT YEAR FINDINGS

Fuel Logs – For several months during the year the recording function of the County's automated fueling system was inoperable due to lightning damage. During this period a manual logging system was maintained by the Road Department. Upon reviewing these logs, we found that odometer readings were not recorded along with the gallons pumped for individual vehicles. Without such recording it is not possible to verify that the quantities pumped were of reasonable and appropriate for individual vehicles. If such a logging system is required to be used in the future, we recommend that odometer readings be recorded along with the gallonage for each vehicle. Periodically, miles per gallon should be computed and any out-of-range amounts investigated.

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

this software, and the resultant reports be generated, reviewed and utilized as a part of the monthly accounting procedures at the Road Department.

Petty Cash Reimbursement – From our review of petty cash reimbursements relating to the Tourist Development Department, we found an instance where personal purchases of \$48.28 were reimbursed by the County. Upon notification, this amount was repaid by the concerned employee. Upon further review, we found no other apparent similar instances. To deter such occurrences in the future, we recommend that a policy be implemented to prohibit reimbursements where the related documentation contains both personal and business expenditures. Reimbursement requests should also be reviewed and approved by a supervisor prior to being submitted for reimbursement.

CLERK OF THE CIRCUIT COURT

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

Travel – From our review of selected travel vouchers, we found that a per diem payment was accidentally miscalculated and the traveling employees were overpaid. To assure proper calculation of travel reimbursements, we recommend that all travel vouchers be carefully reviewed prior to being paid.

PROPERTY APPRAISER

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SHERIFF

PRIOR YEAR FINDINGS

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

CURRENT YEAR FINDINGS

Cash Receipts – From our review of transaction processes and financial records relating to cash monies collected in the Sheriff's Office Administration Building, we found instances where cash receipts were not kept in sequential order and instances where cash deposits were not made in a prompt manner. To strengthen internal controls and the audit trail over these cash collections, we recommend that all receipts be kept in sequential order and deposited daily, if feasible, and always by the end of each work week.

Fuel Purchases – From our review of vehicle fuel purchases, we found various instances where the vehicle odometer readings were incorrectly recorded on the vendor automated billing system. For proper accountability, odometer readings should be correctly recorded for each vehicle fuel purchase and the resultant monthly usage reports should be examined and reconciled for any resulting out-of-range readings.

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

Counterfeit Check – From our review of expenditures in the Inmate Trust Fund, we noted an expense of \$3,870 and a corresponding bank fee of \$5 for a fraudulent check that was received on behalf of an inmate and credited to the inmate's account. Prior to this check actually clearing the bank, the inmate was released and a refund of the individual's trust account balance was made. It was later determined that the check was fraudulent and that the inmate was not entitled to the refund received. There was also an expense of \$80 for an inmate refund check that was fraudulently altered by an inmate upon release from a valid \$8 inmate refund check. In order to minimize the vulnerability of such occurrences in the future, we recommend that the Sheriff adopt a policy of delaying inmate refunds until availability of their funds can be verified.

Subsequent to year end, the Sheriff implemented a kiosk system which is maintained by an outside vendor for the intake and deposit of inmate monies. Although this system reduces the risk of fraud, there is still a risk of refund checks being altered for an amount other than the issued amount as described in the second instance noted above.

SUPERVISOR OF ELECTIONS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

TAX COLLECTOR

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(l)(a), Florida Statutes, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2007.

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

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

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

Requirements of Section 28.35 Florida Statutes - For the fiscal year ended September 30, 2007, the Clerk of the Circuit Court complied with the following:

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

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

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



POWELL & JONES
Certified Public Accountants
June 27, 2008

BOARD OF COUNTY COMMISSIONERS

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
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 the Columbia County Board of County Commissioners (the Board), as of and for the year ended September 30, 2007, which collectively comprise the basic financial statements of the County's primary government 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 financial statements referred to above include only the primary government of Columbia County, Florida, which consists of all funds and agencies that comprise the Board's legal entity. The financial statements do not include financial data for the Board's legally separate constitutional officer component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Board's primary government. As a result, the primary government financial statement do not purport to, and do not, present fairly the financial position of the reporting entity of Columbia County, Florida, as of September 30, 2007, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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, 2007. The Board has not presented the management's discussion and analysis in these 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 for the Columbia County Board of County Commissioners, the primary government of Columbia County, as of September 30, 2007, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated June 27, 2008, on our consideration of the Board of County Commissioners' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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

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



POWELL & JONES
Certified Public Accountants
June 27, 2008

BASIC FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**BOARD OF COUNTY COMMISSIONERS
STATEMENT OF NET ASSETS
September 30, 2007**

	<u>Governmental</u> <u>Activities</u>	<u>Business - type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash	\$ 11,914,762	\$ 7,243,424	\$ 19,158,186
Accounts receivable	165,157	170,470	335,627
Due from other funds	9,731	148,534	158,265
Due from other governmental units	3,022,687	-	3,022,687
Inventories	15,753	-	15,753
Investments	20,438,790	1,133,437	21,572,227
Other current assets	458,263	-	458,263
Total current assets	<u>36,025,143</u>	<u>8,695,865</u>	<u>44,721,008</u>
Noncurrent Assets			
Restricted assets			
Cash	-	97,556	97,556
Investments	-	4,023,585	4,023,585
Total restricted assets	<u>-</u>	<u>4,121,141</u>	<u>4,121,141</u>
Capital assets, net	<u>123,752,228</u>	<u>6,326,606</u>	<u>130,078,834</u>
Other assets			
Unamortized bond issuance costs	-	103,214	103,214
Total noncurrent assets	<u>123,752,228</u>	<u>10,550,961</u>	<u>134,303,189</u>
Total assets	<u>\$ 159,777,371</u>	<u>\$ 19,246,826</u>	<u>\$ 179,024,197</u>
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 341,731	\$ 44,212	\$ 385,943
Accrued payroll liabilities	199,601	-	199,601
Due to other funds	148,534	9,731	158,265
Due to other governmental units	45,645	-	45,645
Accrued compensated absences	158,767	49,061	207,828
Interest payable	55,639	41,861	97,500
Deposits	73,201	-	73,201
Deferred revenue	85,204	-	85,204
Other current liabilities	8,772	-	8,772
Total current liabilities	<u>1,117,094</u>	<u>144,865</u>	<u>1,261,959</u>
Current Liabilities Payable from Restricted Assets			
Note payable Gulf Breeze, short-term portion	-	435,000	435,000
Noncurrent Liabilities			
Due within one year:			
Notes and loans payable	199,372	-	199,372
Capital leases	228,854	-	228,854
Bonds payable	1,892,960	-	1,892,960
Due in more than one year:			
Accrued compensated absences	1,825,816	-	1,825,816
Notes and loans payable	1,513,899	1,995,000	3,508,899
Capital leases	1,644,892	-	1,644,892
Bonds payable	1,512,528	-	1,512,528
Estimated landfill closure liability	-	8,439,218	8,439,218
Total noncurrent liabilities	<u>8,818,321</u>	<u>10,434,218</u>	<u>19,252,539</u>
Total liabilities	<u>9,935,415</u>	<u>11,014,083</u>	<u>20,949,498</u>

(Continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
STATEMENT OF NET ASSETS
September 30, 2007

	<u>Governmental Activities</u>	<u>Business - type Activities</u>	<u>Total</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 116,759,724	\$ 3,697,437	\$ 120,457,161
Restricted for:			
Library	2,071,111	-	2,071,111
Road projects	9,788,189	-	9,788,189
Other purposes	3,859,842	-	3,859,842
Unrestricted	<u>17,363,090</u>	<u>4,535,306</u>	<u>21,898,396</u>
Total net assets	<u><u>\$ 149,841,956</u></u>	<u><u>\$ 8,232,743</u></u>	<u><u>\$ 158,074,699</u></u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2007

Functions/Programs	Expenses	Program Services			Net (Expenses) Revenues 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	\$ 7,397,065	\$ 1,125,891	\$ 119,678	\$ 458,271	\$ (5,693,225)	\$ -	\$ (5,693,225)
Public Safety	20,166,857	4,619,317	159,625	-	(15,387,915)	-	(15,387,915)
Physical Environment	4,578,530	3,729,489	92,480	-	(756,561)	-	(756,561)
Transportation	12,402,593	42,013	5,920	5,167,522	(7,187,138)	-	(7,187,138)
Economic Environment	2,188,590	-	296,164	583,000	(1,309,426)	-	(1,309,426)
Human Services	2,604,827	2,701	37,000	-	(2,565,126)	-	(2,565,126)
Culture/recreation	2,222,761	41,513	950,605	15,000	(1,215,643)	-	(1,215,643)
Court related	315,900	-	-	-	(315,900)	-	(315,900)
Interest on long-term debt	270,582	-	-	-	(270,582)	-	(270,582)
Total governmental activities	52,147,705	9,560,924	1,661,472	6,223,793	(34,701,516)	-	(34,701,516)
Business - type activities							
Physical Environment							
Landfill	2,812,605	2,231,266	191,176	-	-	(390,163)	(390,163)
Total government	54,960,310	11,792,190	1,852,648	6,223,793	(34,701,516)	(390,163)	(35,091,679)
General revenues							
Ad valorem taxes					20,173,293	-	20,173,293
Sales and use taxes					11,048,031	-	11,048,031
Franchise fees					127,151	-	127,151
Federal payments in lieu of taxes					175,432	-	175,432
Federal and state shared revenue					8,794,742	-	8,794,742
Local payments in lieu of taxes					10,740	-	10,740
Interest					1,716,929	557,590	2,274,519
Gain (loss) on disposition of fixed assets					(123,602)	-	(123,602)
Rents and royalties					274,863	-	274,863
Miscellaneous					463,372	3,985	467,357
Total general revenue					42,660,951	561,575	43,222,526
Change in net assets					7,959,435	171,412	8,130,847
Net assets beginning of year					125,473,522	9,154,794	134,628,316
Prior period adjustment					16,408,999	(1,093,463)	15,315,536
Net assets end of year					\$ 149,841,956	\$ 8,232,743	\$ 158,074,699

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2007

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds		Other Governmental Funds	Total Governmental Funds
	General Fund	County Transportation Trust	Municipal Services Benefit Unit	Municipal Services Special District	Economic Development	Connector Road Project	Road Improvement		
ASSETS									
Current assets									
Cash	\$ 200,000	\$ 2,533,865	\$ 1,889,470	\$ 1,578	\$ 441,897	\$ 412,826	\$ 3,613,296	\$ 2,821,830	\$ 11,914,762
Accounts receivable	10,844	507	38,551	108,028	-	-	-	7,227	165,157
Due from other funds	2,778,769	-	9,731	1,000,000	-	5,763,604	429,695	1,762,345	11,744,144
Due from other governmental units	1,313,271	990,162	320,312	-	-	-	-	398,942	3,022,687
Inventories	-	15,753	-	-	-	-	-	-	15,753
Investments	14,761,111	1,627,234	20,273	2,659,246	-	-	-	1,370,926	20,438,790
Other current assets	-	-	-	-	458,263	-	-	-	458,263
Total assets	\$ 19,063,995	\$ 5,167,521	\$ 2,278,337	\$ 3,768,852	\$ 900,160	\$ 6,176,430	\$ 4,042,991	\$ 6,361,270	\$ 47,759,556
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 164,155	\$ 47,712	\$ 95,824	\$ 25,779	\$ -	\$ 1,537	\$ -	\$ 6,724	\$ 341,731
Accrued payroll liabilities	199,601	-	-	-	-	-	-	-	199,601
Due to other funds	5,736,384	-	1,148,002	1,062,703	2,750,000	429,695	-	756,163	11,882,947
Due to other governmental units	45,645	-	-	-	-	-	-	-	45,645
Deposits	-	63,201	-	-	10,000	-	-	-	73,201
Revenues collected in advance	-	-	-	84,499	-	-	-	705	85,204
Other current liabilities	-	-	5,527	1,629	-	-	-	1,617	8,773
Total liabilities	6,145,785	110,913	1,249,353	1,174,610	2,760,000	431,232	-	765,209	12,637,102
FUND BALANCES									
Unreserved									
Designated	2,417,209	-	-	-	-	-	-	-	2,417,209
Undesignated	10,501,001	5,056,608	1,028,984	2,594,242	(1,859,840)	5,745,198	4,042,991	5,596,061	32,705,245
Total fund balances	12,918,210	5,056,608	1,028,984	2,594,242	(1,859,840)	5,745,198	4,042,991	5,596,061	35,122,454
Total liabilities and fund balances	\$ 19,063,995	\$ 5,167,521	\$ 2,278,337	\$ 3,768,852	\$ 900,160	\$ 6,176,430	\$ 4,042,991	\$ 6,361,270	

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. 123,752,228

Long-term liabilities, including bonds payable of (\$3,405,488), notes and loans payable of (\$1,713,269), capital leases of (\$1,873,747), compensated absences of (\$1,984,583), and accrued interest of (\$55,639) are due and payable in the current period and therefore are not reported in the funds.

(9,032,726)

Net assets of governmental activities

\$ 149,841,956

See notes to financial statements.

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

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

	Special Revenue Funds				Debt Service Fund	Capital Projects			Total Governmental Finds
	General Fund	County Transportation Trust	Municipal Services Benefit Unit	Municipal Services Special District	Economic Development	Connector Road Project	Road Improvement	Other Governmental Funds	
REVENUES									
Taxes	\$ 22,955,849	\$ 3,351,809	\$ 373,402	\$ 300,000	\$ -	\$ -	\$ 2,500,000	\$ 1,867,416	\$ 31,348,476
Licenses and permits	-	-	589,288	-	-	-	-	-	589,288
Intergovernmental	876,033	3,553,096	358,483	847,689	2,183,000	2,000,000	3,167,522	3,494,552	16,480,375
Charges for services	1,095,481	11,235	-	1,221,265	-	-	-	427,305	2,755,286
Fines and forfeitures	34,143	-	7,275	-	-	-	-	25,233	66,651
Miscellaneous	1,181,164	317,839	6,116,541	176,676	184,573	210,161	92,165	253,276	8,532,395
Total revenues	26,142,670	7,233,979	7,444,989	2,545,630	2,367,573	2,210,161	5,759,687	6,067,782	59,772,471
EXPENDITURES									
Current expenditures									
General government	4,059,462	-	276,466	211,485	-	20,000	-	224,118	4,791,531
Public safety	1,150,439	-	2,935,741	2,660,958	-	-	-	-	6,747,138
Physical environment	757,885	-	3,818,394	-	-	-	-	-	4,576,279
Transportation	-	5,256,311	-	-	-	382,973	23,652	-	5,662,936
Economic environment	581,998	-	-	-	254,595	-	-	1,329,794	2,166,387
Human services	2,552,156	-	-	-	-	-	-	-	2,552,156
Culture / recreation	1,350,041	-	40,271	-	-	-	-	743,794	2,134,106
Court related	-	-	-	-	-	-	-	315,900	315,900
Capital outlay									
General government	41,272	-	-	-	-	-	-	-	41,272
Public safety	562,431	-	712,680	77,268	-	-	-	-	1,352,379
Physical environment	107,066	-	-	-	-	-	-	-	107,066
Transportation	-	2,067,277	-	-	-	3,778	5,108,317	-	7,179,372
Economic environment	73,704	-	-	-	2,827,107	-	-	-	2,900,811
Human services	11,468	-	-	-	-	-	-	-	11,468
Culture / recreation	1,550,653	-	190,979	-	-	-	-	-	1,741,632
Debt service									
Transportation	-	972,057	-	-	-	-	-	832,089	1,804,146
Economic environment	-	-	-	-	2,110,315	-	-	98,555	2,208,870
Total expenditures	12,798,575	8,295,645	7,974,531	2,949,711	5,192,017	406,751	5,131,969	3,544,250	46,293,449
Excess of revenues over expenditures	13,344,094	(1,061,666)	(529,542)	(404,081)	(2,824,444)	1,803,410	627,718	2,523,532	13,479,022
OTHER FINANCING SOURCES (USES)									
Sale of fixed assets	-	883,138	55,194	-	-	-	-	-	938,332
Debt proceeds	-	1,931,112	4,788	-	840,000	-	-	-	2,775,900
Interfund transfers in	495,201	-	82,155	-	-	-	-	-	577,356
Interfund transfers out	-	-	-	-	-	-	(169,356)	(408,000)	(577,356)
Transfers to Officers	(14,373,286)	-	-	-	-	-	-	(95,073)	(14,468,360)
Total other financing sources (uses)	(13,878,085)	2,814,250	142,137	-	840,000	-	(169,356)	(503,073)	(10,754,128)
Net change in fund balances	(533,991)	1,752,584	(387,405)	(404,081)	(1,984,444)	1,803,410	458,362	2,020,459	2,724,894
Fund balances at beginning of year	13,202,505	3,304,024	1,128,152	2,998,323	124,604	3,941,788	3,584,629	3,575,602	31,859,627
Prior period adjustment	249,696	-	288,237	-	-	-	-	-	537,933
Fund balances at end of year	\$ 12,918,210	\$ 5,056,608	\$ 1,028,984	\$ 2,594,242	\$ (1,859,840)	\$ 5,745,198	\$ 4,042,991	\$ 5,596,061	\$ 35,122,454

See notes to financial statements.

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, 2007

Net change in fund balances - total governmental funds		\$ 2,724,894
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>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.</p>		
Officer capital additions and donations	\$ 458,271	
Expenditures for capital assets	13,334,000	
Less current year depreciation	<u>(8,320,391)</u>	5,471,880
<p>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.</p>		
Loss on disposition of capital assets		(1,061,933)
<p>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.</p>		
Loan proceeds		(2,775,900)
<p>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.</p>		
Bond principal payments	2,641,646	
Capital lease principal payments	933,965	
Notes and loan principal payments	<u>152,991</u>	3,728,602
<p>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.</p>		
Net change in compensated absences	(141,940)	
Accrued interest expense	<u>13,832</u>	<u>(128,108)</u>
Change in net assets of governmental activities		<u><u>\$ 7,959,435</u></u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
STATEMENT OF NET ASSETS
PROPRIETARY FUND
September 30, 2007

	<u>Landfill Enterprise</u>
ASSETS	
Current Assets	
Cash	\$ 7,243,424
Accounts receivable	170,470
Due from other funds	148,534
Investments	1,133,437
Total current assets	8,695,865
Noncurrent Assets	
Restricted assets	
Cash	97,556
Investments	4,023,585
Total restricted assets	4,121,141
Fixed assets	
Land	887,973
Buildings	493,668
Improvements other than buildings	9,860,669
Equipment	2,730,184
Allowance for depreciation	(7,645,888)
Total fixed assets	6,326,606
Other assets	
Unamortized bond issuance costs	103,214
Total noncurrent assets	10,550,961
Total assets	\$ 19,246,826
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 44,212
Due to other funds	9,731
Interest payable	41,861
Accrued compensated absences	49,061
Total current liabilities	144,865
Current Liabilities Payable from Restricted Assets	
Note payable Gulf Breeze, short-term portion	435,000
Noncurrent Liabilities	
Note payable Gulf Breeze, long-term portion	1,995,000
Estimated landfill closure liability	8,439,218
Total noncurrent liabilities	10,434,218
Total liabilities	11,014,083
(Continued)	

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
STATEMENT OF NET ASSETS
PROPRIETARY FUND
September 30, 2007

	<u>Landfill Enterprise</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 3,697,437
Unrestricted	<u>4,535,306</u>
Total net assets	<u><u>\$ 8,232,743</u></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, 2007**

	<u>Landfill Enterprise</u>
OPERATING REVENUES	
Physical environment	
Garbage/solid waste revenue	
Landfill fees commercial	\$ 985,884
Landfill fees contractor	1,245,382
Total physical environment	<u>2,231,266</u>
Miscellaneous	
Sale of surplus recycling	3,880
Other miscellaneous	105
Total miscellaneous	<u>3,985</u>
Total operating revenues	<u>2,235,251</u>
OPERATING EXPENSES	
Landfill	
Personal services	
Regular salaries	491,202
FICA	35,757
Retirement	47,921
Life and health insurance	71,056
Workers' compensation	39,889
Total personal services	<u>685,825</u>
Operating expenses	
Professional services	196,022
Depreciation	398,324
Other contractual services	6,907
Travel and per diem	2,859
Communications services	2,153
Utility services	13,845
Rentals and leases	2,500
Insurance	49,752
Repairs and maintenance	95,913
Other current charges and obligations	1,075
Administration fees	74,800
Office supplies	2,942
Operating supplies	16,661
Gas and oil	117,088
Leachate disposal	119,723
Hazardous waste disposal	21,327
Total operating expenses	<u>1,121,891</u>
Total landfill	<u>1,807,716</u>

(Continued)

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, 2007**

	<u>Landfill Enterprise</u>
OPERATING EXPENSES (Continued)	
Central Landfill Closure	
Operating expenses	
Professional services	\$ 65,863
Contractual services	13,840
Landfill closure	<u>510,002</u>
Total landfill closure	<u>589,705</u>
Litter Removal	
Operating expenses	
Contractual services	189,842
Waste tire grant	<u>46,375</u>
Total litter removal	<u>236,217</u>
Total operating expenses	<u>2,633,638</u>
Operating loss	<u>(398,387)</u>
NONOPERATING REVENUES (EXPENSES)	
State grants	
Physical environment	
Small county grant	191,176
Interest earnings	
SBA	20,491
Other	537,099
Debt service costs	
Interest	(143,893)
Other debt service costs	(8,721)
Amortization	<u>(26,353)</u>
Total nonoperating revenues (expenses)	<u>569,799</u>
Net income	171,412
Net assets at beginning of year	9,154,794
Prior period adjustment	<u>(1,093,463)</u>
Net assets at end of year	<u>\$ 8,232,743</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2007

	Landfill Enterprise
Cash Flows From Operating Activities	
Cash flows received from customers	\$ 2,089,399
Cash paid to employees	(491,202)
Cash paid for employee benefits	(190,263)
Cash paid to vendors	(1,024,612)
Net cash provided by operating activities	383,322
Cash Flows From Noncapital Financing Activities	
State grants received	191,176
Net cash provided by noncapital financing activities	191,176
Cash Flows From Capital and Related Financing Activities	
Payments to acquire or construct capital assets	(212,318)
Principal paid on bonds	(415,000)
Interest paid on capital debt	(150,429)
Other debt service costs	(8,721)
Net cash used for capital and related financing activities	(786,468)
Cash Flows From Investing Activities	
Interest received	557,590
Increase in investments	(242,631)
Net cash provided by investing activities	314,959
Net increase in cash	102,989
Cash at beginning of year	7,237,991
Cash at end of year	\$ 7,340,980

(continued)

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Fiscal Year Ended September 30, 2007

	<u>Landfill Enterprise</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Cash paid to vendors	<u>\$ (398,387)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	398,324
(Increase) decrease in assets:	
Accounts receivable	2,682
Due from other funds	(148,534)
Increase (decrease) in liabilities:	
Accounts payable	5,144
Due to other funds	4,360
Accrued compensated absences	9,731
Landfill closure liability	<u>510,002</u>
Total adjustments	<u>781,709</u>
Net cash provided by operating activities	<u><u>\$ 383,322</u></u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
NOTES TO FINANCIAL STATEMENTS

September 30, 2007

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 2007. The Board has fully implemented the basic model in the FY 2002-2003, and implemented the infrastructure related portion in 2007.

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, or impose specific financial burdens on, the Board. The Board may be financially accountable if an organization is fiscally dependent on the Board regardless of whether the organization has (a) separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, Board management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the Board=s special purpose financial statements. Management determined that the Columbia County Industrial Development Authority was the only organization that should be included in the County=s financial statements as a component unit.

Columbia County Industrial Development Authority (CCIDA) created pursuant to the provisions of Section 159.45, Florida Statutes, the Board of County Commissioners appoints the governing body, approves the millage rate and the budget of the CCIDA. Although legally separate, the CCIDA is appropriately blended as a governmental fund-type (special revenue) component unit into the primary government.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the Board are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

1. Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 - Accounting and Financial Reporting for Nonexchange Transactions.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government=s citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. As applicable, the Board also chooses to eliminate the indirect costs between governmental activities to avoid doubling up effect.

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 60 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, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, taxes, and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

C. Basis of Presentation

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The Board has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds which either had debt outstanding or specific community focus as major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

1. Governmental Major Funds:

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources, except those required to be accounted for in another fund.

County Transportation Trust Fund - The County Transportation Trust Fund accounts for expenditures incurred for the maintenance and repairs of County roads. Financing is provided by local option fuel taxes and distributions of State shared fuel taxes and other revenues.

Municipal Services Benefit Unit Fund - The Municipal Services Benefit Unit Fund (MSBU) accounts for expenditures incurred for the solid waste collection and fire services in the unincorporated area, and other services which primarily benefit residents of the unincorporated area of the County. Financing is provided by non-ad valorem assessments and other revenues derived from the unincorporated area.

Municipal Services Special District Fund - The Municipal Services Special District Fund (MSSD) accounts for expenditures incurred for emergency medical services, and 911 communications. Financing is provided by service fees and distribution of State shared revenues.

Economic Development Debt Service Fund - The Economic Development Fund accounts for expenditures associated with debt service and other outlays for economic development projects authorized by the Board of County Commissioners.

Connector Road Project Fund - The Connector Road Project Fund accounts for the ongoing project to provide bypass roads to relieve traffic congestion throughout the County. Financing is provided by proceeds of a previously dedicated local option gas tax and State construction grants.

Road Improvement Fund - 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.

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 approximate d 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, 2007, this allowance was \$19,696. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectable as reported at September 30, 2007.

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.

7. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Board-administered Special Revenue Funds, Capital Projects Funds, and the Enterprise Fund. Material encumbrances outstanding at year end, if any, are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

8. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost, or not reported. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The Board holds legal title to the capital assets used in the operations of the Board, Clerk of the Circuit Court, Property Appraiser, Supervisor of Elections and Tax Collector, and is accountable for them under Florida Law.

The Sheriff is accountable for and thus maintains capital asset records pertaining only to equipment used in his operations.

Property, plant, and equipment of the Board, as well as component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and improvements	5 - 40
Machinery and equipment	3 - 12
Road and bridge infrastructure	20 - 40

9. Capitalization of Interest

Interest costs related to bond issues are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments. During the current period, the Board did not have any capitalized interest.

10. Deferred Revenues

Deferred revenues reported in government-wide financial statements represent unearned revenues. The deferred revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Deferred revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as deferred revenues.

11. Accrued Compensated Absences

The Board accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentation.

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, 2007.

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 (\$35,122,454) differs from net assets of governmental activities (\$149,841,956) 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	\$ 191,496,136
Accumulated depreciation	(67,743,908)
Total	<u>\$ 123,752,228</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, 2007, were:

Revenue notes/bonds payable	\$ 3,405,488
Notes and loans payable	1,713,267
Capital leases payable	1,873,747
Compensated absences	1,984,583
Total	<u>\$ 8,977,087</u>

Accrued interest

Accrued liabilities in the statement of net assets differs from the amount reported in governmental funds due to accrued interest on the revenue bonds, notes payable and certain capital lease debts.

Notes payable	\$ 12,227
Revenue bonds	14,387
Capital lease debts	29,029
Total	<u>\$ 55,643</u>

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$11,734,413 between governmental funds must be eliminated for the statement of net assets.

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

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 Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Reclassifications and Eliminations	Statement of Net Assets
ASSETS					
Cash and cash equivalents	\$ 11,914,762	\$ -	\$ -	\$ -	\$ 11,914,762
Accounts receivable - net	165,157	-	-	-	165,157
Due from other funds	11,744,144	-	-	(11,734,413)	9,731
Due from other governmental units	3,022,687	-	-	-	3,022,687
Inventories	15,753	-	-	-	15,753
Investments	20,438,790	-	-	-	20,438,790
Other current assets	458,263	-	-	-	458,263
Capital assets - net	-	123,752,228	-	-	123,752,228
Total assets	\$ 47,759,556	\$ 123,752,228	\$ -	\$ (11,734,413)	\$ 159,777,371
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 341,731	\$ -	\$ -	\$ -	\$ 341,731
Accrued payroll liabilities	199,601	-	-	-	199,601
Due to other funds	11,882,947	-	-	(11,734,413)	148,534
Due to other governmental units	45,645	-	-	-	45,645
Accrued interest payable	-	-	55,639	-	55,639
Deposits	73,201	-	-	-	73,201
Deferred revenues	85,204	-	-	-	85,204
Other current liabilities	8,773	-	-	-	8,773
Accrued compensated absences	-	-	1,984,583	-	1,984,583
Capital leases payable	-	-	1,873,747	-	1,873,747
Notes and loans payable	-	-	1,713,269	-	1,713,269
Revenue bonds payable	-	-	3,405,488	-	3,405,488
Total liabilities	12,637,102	-	9,032,726	(11,734,413)	9,935,415
 Fund balances/net assets	 35,122,454	 123,752,228	 (9,032,726)	 -	 149,841,956
 Total liabilities and fund balance/net assets	 \$ 47,759,556	 \$ 123,752,228	 \$ -	 \$ (11,734,413)	 \$ 159,777,371

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

The net change in fund balances for governmental funds (\$2,724,894) differs from the change in net assets for governmental activities \$7,959,435 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charges for the year.

Officer capital additions and donations	\$ 458,271
Capital outlay	13,334,000
Depreciation expense	<u>(8,320,391)</u>
Total	<u>\$ 5,471,880</u>

The statement of activities reports losses arising from the trade-in or other disposition of existing capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in or disposition of capital assets.

Loss on disposition of assets	<u>\$ (1,061,934)</u>
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Long-term debt transactions

In the statement of activities, debt proceeds increase long-term liabilities. However, in the governmental funds, debt proceeds are treated as other financing sources since they provide current financial resources to governmental funds.

Debt proceeds	<u>\$ 2,775,900</u>
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Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities.

Debt principal payments made	<u>\$ 3,728,602</u>
------------------------------	---------------------

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

Net change in compensated absences	<u>\$ (141,940)</u>
Net change in accrued interest	<u>\$ 13,832</u>

Reclassification and Eliminations

Transfers in and transfers out in the amount of \$577,356 between governmental activities should be eliminated. Operating budget transfers to Constitutional Officers in the amount of \$14,455,100 must be distributed to the related expenditure funds.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

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

B. Explanation of Differences Between Government Fund Operating Statements and the Statement of Activities

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Compensated Absences	Accrued Interest	Reclassifications and Eliminations	Statement of Activities
REVENUES							
Taxes	\$ 31,348,476	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,348,476
Licenses and permits	589,288	-	-	-	-	-	589,288
Intergovernmental	16,480,375	-	-	-	-	-	16,480,375
Charges for services	2,755,286	-	-	-	-	-	2,755,286
Fines and forfeitures	66,651	-	-	-	-	-	66,651
Special assessments	6,074,852	-	-	-	-	-	6,074,852
Interest	1,716,929	-	-	-	-	-	1,716,929
Miscellaneous	740,614	-	-	-	-	-	740,614
Donation of fixed assets	-	458,271	-	-	-	-	458,271
Loss on disposition of fixed assets	-	(123,602)	-	-	-	-	(123,602)
Total revenues	59,772,471	334,669	-	-	-	-	60,107,140
EXPENDITURES							
Current Expenditures							
General government	4,791,531	744,427	-	59,755	-	1,801,352	7,397,065
Public safety	6,747,138	683,689	-	69,022	-	12,667,008	20,166,857
Physical environment	4,576,279	-	-	2,251	-	-	4,578,530
Transportation	5,662,936	6,733,375	-	6,282	-	-	12,402,593
Economic environment	2,166,387	20,930	-	1,273	-	-	2,188,590
Human services	2,552,156	52,671	-	-	-	-	2,604,827
Culture/recreation	2,134,106	85,298	-	3,357	-	-	2,222,761
Court related	315,900	-	-	-	-	-	315,900
Capital outlay							
General government	41,272	(41,272)	-	-	-	-	-
Public safety	1,352,379	(1,352,379)	-	-	-	-	-
Physical environment	107,066	(107,066)	-	-	-	-	-
Transportation	7,179,372	(7,179,372)	-	-	-	-	-
Economic environment	2,900,811	(2,900,811)	-	-	-	-	-
Human services	11,468	(11,468)	-	-	-	-	-
Culture/recreation	1,741,632	(1,741,632)	-	-	-	-	-
Debt Service							
Principal	3,728,602	-	(3,728,602)	-	-	-	-
Interest	284,414	-	-	-	(13,832)	-	270,582
Total expenditures	46,293,449	(5,013,610)	(3,728,602)	141,940	(13,832)	14,468,360	52,147,705
Excess of revenues over (under) expenditures	13,479,022	5,348,279	3,728,602	(141,940)	13,832	(14,468,360)	7,959,435
OTHER FINANCING SOURCES (USES)							
Sale of fixed assets	938,332	(938,332)	-	-	-	-	-
Debt proceeds	2,775,900	-	(2,775,900)	-	-	-	-
Transfers in	577,356	-	-	-	-	(577,356)	-
Transfers out	(577,356)	-	-	-	-	577,356	-
Constitutional Officers	(14,468,360)	-	-	-	-	14,468,360	-
Total other financing sources (uses)	(10,754,128)	(938,332)	(2,775,900)	-	-	14,468,360	-
Net change in fund balance	2,724,894	4,409,947	952,702	(141,940)	13,832	-	7,959,435
Fund balances at beginning of year	31,859,627	103,471,215	(7,945,206)	(1,842,643)	(69,471)	-	125,473,522
Prior period adjustment	537,933	15,871,066	-	-	-	-	16,408,999
Fund balances at end of year	\$ 35,122,454	\$ 123,752,228	\$ (6,992,504)	\$ (1,984,583)	\$ (55,639)	\$ -	\$ 149,841,956

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

1. Prior to September 15, the County Manager, serving as Budget Officer, submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
5. Formal budgetary integration is employed as a management control device in all governmental funds.
6. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2007, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Fund budget is adopted on the accrual basis.
7. Legal control of the budget is exercised pursuant to applicable provisions of Florida Statutes.
8. Appropriations for the Board lapse at the close of the fiscal year.
9. The following is a comparison of the appropriations to total expenses for the proprietary fund for the fiscal year ended September 30, 2007.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive</u>
Primary Government			
Enterprise fund			
Landfill	<u>\$ 2,984,015</u>	<u>\$ 2,512,604</u>	<u>\$ 471,411</u>

The appropriations budget did not include debt service payments that are considered to be defeased by the County.

NOTE 4. CASH AND CASH EQUIVALENTS

The Board maintains a cash pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions.

1. Deposits

At September 30, 2007, the carrying amount of the Board's deposits was \$19,158,186. 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 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 Board's investments in the Local Government Surplus Funds Trust Fund, a Securities and Exchange Commission Rule 2a-7 like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the actual underlying investments. The State Board of Administration has taken the position that it is not required to disclose to participants in the pool information related to interest rate risk, custodial credit risk, concentrations of credit risk and foreign currency risk. The investment pool was not rated by a nationally recognized statistical rating agency as of September 30, 2007.

The Board's investments with First Federal Savings Bank were structured as a retail repurchase agreement. Under a retail repurchase agreement the Bank daily at the close of business sells to the County marketable securities with a fair market value of equal to the balance in the account and repurchases them the next morning for the same price plus negotiated interest. The Bank while retaining possession of the securities has legally pledged to the County a security interest in the pledged securities. A repurchase agreement as an investment is not FDIC insured nor is it a public funds deposit under Florida Law.

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, 2007, the Trust had investments, at fair value, of approximately \$370 million. Of the total investments in the Trust, 8.7% was invested in asset backed securities and 61.7% was invested in Federal treasury securities.

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

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy to minimize interest rate risk is by structuring the investment portfolio so that the investments are readily convertible to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment on a deposit. The County does not hold foreign or foreign currency investments and therefore is not subject to foreign currency risk.

Credit Risk: The County also mitigates credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of investment or collateral securities that are held in the possession of an outside party. The County limits this risk by investing only in permitted investments.

Concentrations of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The implementation of GASB Statement No. 40 requires the disclosure of investments in any on issuer that represent 5% or more of total investments. As of September 30, 2007, the County had investments with the following issuers in the percentages of total investments shown below.

Schedule of Investments at September 30, 2007

	Fair Value	Percent	Category
Florida Local Government Investment Trust Fund	\$ 4,023,585	15.72%	1
Local Government Surplus Funds Trust Fund	243,615	0.95%	*
Certificates of deposit	840,000	3.28%	
First Federal Savings Bank			
Money market funds	20,488,610	80.05%	*
	<u>\$ 25,595,810</u>	<u>100.00%</u>	

NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2006-2007 fiscal year were levied in October 2006. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the

sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2007, was as follows:

Primary Government

	Beginning Balance	Donations/ Officer Additions	Additions	Prior Period Adjustment	Deletions	Balance
<u>Governmental activities:</u>						
Capital assets:						
Land	\$ 4,704,272	\$ -	\$ 210,567	\$ -	\$ -	\$ 4,914,839
Buildings	44,576,739	-	323,491	-	-	44,900,230
Improvements other than buildings	-	-	1,410,494	-	-	1,410,494
Road improvements	59,578,374	-	7,935,424	56,994,847	-	124,508,645
Construction in progress	-	-	977,024	-	-	977,024
Equipment	13,723,697	458,271	2,477,000	21,926	(1,895,990)	14,784,904
Total capital assets	122,583,082	458,271	13,334,000	57,016,773	(1,895,990)	191,496,136
Less accumulated depreciation	(19,111,867)	-	(8,320,391)	(41,145,706)	834,056	(67,743,908)
Governmental activities capital assets, net	<u>\$ 103,471,215</u>	<u>\$ 458,271</u>	<u>\$ 5,013,609</u>	<u>\$ 15,871,067</u>	<u>\$ (1,061,934)</u>	<u>\$ 123,752,228</u>
<u>Business-type activities:</u>						
Land	\$ 887,973	\$ -	\$ -	\$ -	\$ -	\$ 887,973
Equipment	2,531,015	-	212,317	(13,148)	-	2,730,184
Buildings	493,668	-	-	-	-	493,668
Improvements	9,860,669	-	-	-	-	9,860,669
Total capital assets	13,773,325	-	212,317	(13,148)	-	13,972,494
Less accumulated depreciation	(7,260,712)	-	(398,324)	13,148	-	(7,645,888)
Business-type activities capital assets, net	<u>\$ 6,512,613</u>	<u>\$ -</u>	<u>\$ (186,007)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,326,606</u>

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

Governmental activities:

General government	\$ 744,427
Public safety	683,680
Transportation	6,733,375
Economic environment	20,930
Human services	52,671
Culture/recreation	85,298
Total depreciation expense - governmental activities	<u>\$ 8,320,381</u>

Business -type activities:

Landfill enterprise	\$ 398,324
Total depreciation expense - business-type activities	<u>\$ 398,324</u>

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2007, were:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 2,778,769	\$ 5,736,384
Special revenue funds:		
Municipal Services Benefit Unit	9,731	1,148,002
Municipal Services Special District	1,000,000	1,062,703
Local Housing Assistance	-	28,769
Debt Service Fund:		
Economic Development	-	2,750,000
Jail	1,762,345	-
Capital Projects Funds:		
Connector Road Project	5,763,604	429,695
Road Improvement	429,695	345,678
Paving Assessments	-	381,716
Enterprise Fund:		
Landfill	148,534	9,731
Totals	<u>\$ 11,892,678</u>	<u>\$ 11,892,678</u>

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2007, consisted of the following:

Transfers from Road Improvement Fund to:	
Municipal Services Benefit Unit Fund	\$ 74,155
General Fund	95,201
Transfers from Jail Debt Service Fund to:	
General Fund	400,000
Municipal Services Benefit Unit Fund	8,000
Total transfers	<u>\$ 577,356</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, 2007, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
Governmental activities:			
General	\$ 10,844	\$ 1,313,271	\$ 1,324,115
County Transportation Trust	507	990,162	990,669
Municipal Services Benefit Unit	38,557	320,312	358,869
Municipal Services Special District	108,028	-	108,028
Other governmental	7,221	398,942	406,163
Total governmental activities	<u>\$ 165,157</u>	<u>\$ 3,022,687</u>	<u>\$ 3,187,844</u>
Business-type activities:			
Landfill Enterprise	<u>\$ 170,470</u>	<u>\$ -</u>	<u>\$ 170,470</u>

Primary Government

Payables at September 30, 2007, were as follows:

	Vendors	Other Governmental Units	Total Payables
Governmental activities:			
General	\$ 164,155	\$ 45,645	\$ 209,800
County Transportation Trust	47,712	-	47,712
Municipal Services Benefit Unit	95,824	-	95,824
Municipal Services Special District	25,779	-	25,779
Connection Road	1,537	-	1,537
Other governmental	6,724	-	6,724
Total governmental activities	<u>\$ 341,731</u>	<u>\$ 45,645</u>	<u>\$ 387,376</u>
Business-type activities:			
Landfill Enterprise	<u>\$ 44,212</u>	<u>\$ -</u>	<u>\$ 44,212</u>

NOTE 10. LONG-TERM LIABILITIES

A. Governmental Activities

Notes Payable

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

Original amount	\$ 1,170,000
Current interest rate	3.49%
Payment, monthly	\$ 8,213
Due date	04/21/2016

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>
2008	\$ 75,336	\$ 23,219	\$ 98,555
2009	76,865	21,690	98,555
2010	79,591	18,964	98,555
2011	82,413	16,142	98,555
2012	85,336	13,219	98,555
Thereafter	338,051	15,508	353,559
Total	<u>\$ 737,592</u>	<u>\$ 108,742</u>	<u>\$ 846,334</u>

In December 2006, the County entered into a loan agreement with Columbia Bank in the amount of \$840,000. The proceeds of this loan were used to pay off the existing Revenue Bond held by Suntrust Bank as described in Revenue Bonds Note A. This note is being paid in 24 quarterly payments of \$42,850 beginning March 4, 2007, which includes interest at 6.65%. This note is secured by a Certificate of Deposit in the amount of \$840,000 which is also held at Columbia Bank. 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>
2008	\$ 124,034	\$ 47,366	\$ 171,400
2009	132,563	38,837	171,400
2010	141,677	29,723	171,400
2011	151,420	19,980	171,400
2012	161,831	9,569	171,400
Thereafter	40,715	2,135	42,850
Total	<u>\$ 752,240</u>	<u>\$ 147,610</u>	<u>\$ 899,850</u>

Loan Payable

On July 14, 2004, the County entered into a Loan Agreement with the State of Florida Department of Environmental Protection (FDEP) for State revolving fund financial assistance for a waste water treatment system at the I-75 exit at Ellisville. The terms of this agreement called for a \$276,864 disbursable amount of loan funds plus \$8,800 in capitalized interest for a total loan principal amount of \$285,664.

This loan was subsequently amended on June 14, 2006 for a total loan amount of \$755,809 when fully disbursed. Upon full disbursement, the loan is payable in forty semiannual payments of \$24,345 including interest at 2.07%, beginning October 15, 2009. At September 30, 2007, a total of \$177,141 had been drawn on this loan.

Also, in conjunction with the project, the County entered into an additional loan with the FDEP in the amount of \$248,000. This loan is payable in ten semi-annual payments of \$14,491 including interest at 2.65%, beginning on July 15, 2009. At September 30, 2007, \$46,296 had been drawn on this loan.

Both of these loans are subject to future amendments as to principal amounts, and semiannual payments amounts and payment inception dates.

Revenue Bonds

- A. On April 15, 1996, the County closed on a Revenue Term Bond in the amount of \$1,700,000. The proceeds were used to construct a manufacturing plant leased by the County to Homes of Merit, a mobile home manufacturer. 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. This debt was paid off in the current year.
- B. 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>
2008	\$ 788,297	\$ 44,479	\$ 832,776
2009	412,191	4,195	416,386
Total	<u>\$ 1,200,488</u>	<u>\$ 48,674</u>	<u>\$ 1,249,162</u>

- C. 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:

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 1,085,000	\$ 57,190	\$ 1,142,190
2009	1,120,000	19,264	1,139,264
Total	<u>\$ 2,205,000</u>	<u>\$ 76,454</u>	<u>\$ 2,281,454</u>

Capital Leases

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

- A. Purchase of three motor graders costing \$441,915. The terms of the agreement call for four annual payments of \$95,943, which includes interest at 4.25%, with terminating payment of \$197,040 on January 20, 2010.

- B. Purchase of seven motor graders costing \$1,081,439. The terms of the agreement call for five annual payments of \$150,272. The payments included interest at 3.75%, beginning in July, 2003, and a balloon payment of \$450,760 in July, 2008. The motor graders were repurchased by Caterpillar in a buy-back agreement in the current year.
- C. Purchase of six motor graders costing \$933,012. The terms of the agreement call for five annual payments of \$95,656 beginning September 5, 2007, and a concluding payment of \$720,000 on September 30, 2012. These payments include interest at 7.00%.
- D. Purchase of a rotary mixer costing \$369,420. The terms of the agreement call for five annual payments of \$74,746 beginning June 11, 2007, and a concluding payment of \$58,197 on June 11, 2012. These payments include interest at 7.00%.
- E. Purchase of a wheel loader costing \$192,883. The terms of the agreement call for five annual payments of \$27,876 beginning June 11, 2007, and a concluding payment of \$99,000 on June 11, 2012. These payments include interest at 7.00%.
- F. Purchase of a motor grader costing \$170,878. The terms of the agreement call for five annual payments of \$21,073 beginning June 11, 2007, and a concluding payment of \$110,000 on June 11, 2012. These payments include interest at 7.00%.
- G. Purchase of a bulldozer costing \$108,609. The terms of the agreement call for five annual payments of \$16,630 beginning June 11, 2007 and a concluding payment of \$50,000 on June 11, 2012. These payments include interest at 7.00%.
- H. Purchase of a motor grader costing \$156,310. The terms of the agreement call for five annual payments of \$18,769 beginning January 1, 2007 and a concluding payment of \$91,000 on January 1, 2012. These payments include interest at 4.95%.

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, 2007:

Year Ending September 30	
2008	\$ 350,693
2009	350,693
2010	451,789
2011	254,749
2012	1,128,197
	<u>2,536,121</u>
Less: amount representing interest	(662,374)
Present value of future minimum lease payments	<u><u>\$ 1,873,747</u></u>

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
2008	\$ 435,000	\$ 127,681	\$ 562,681
2009	460,000	102,833	562,833
2010	485,000	75,894	560,894
2011	510,000	46,905	556,905
2012	540,000	15,930	555,930
Total	<u>\$ 2,430,000</u>	<u>\$ 369,243</u>	<u>\$ 2,799,243</u>

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2007, was as follows:

	Balance at 10/01/08	Prior Period adjustment* Additions	Deletions	Balance at 09/30/07	Due Within One Year
Governmental Activities					
Revenue notes payable:					
Notes payable					
Columbia Bank	\$ 802,823	\$ -	\$ 65,231	\$ 737,592	\$ 75,336
Revenue bonds:					
Transportation Series 2003	1,987,134	-	786,646	1,200,488	807,960
Sales tax revenue - Series 2004	3,250,000	-	1,045,000	2,205,000	1,085,000
Suntrust Revenue Term	810,000	-	810,000	-	-
	<u>6,047,134</u>	<u>-</u>	<u>2,641,646</u>	<u>3,405,488</u>	<u>1,892,960</u>
Loan agreement payable:					
Columbia Bank	-	840,000	87,760	752,240	124,034
Department of Environmental Protection	218,649	4,788	-	223,437	-
	<u>218,649</u>	<u>844,788</u>	<u>87,760</u>	<u>975,677</u>	<u>124,034</u>
Capital leases					
A. Caterpillar Financial	277,568	-	84,788	192,780	88,392
B. Caterpillar Financial	599,033	-	599,033	-	-
C. Caterpillar Financial	-	933,012	95,656	837,356	37,041
D. Caterpillar Financial	-	369,420	74,746	294,674	54,119
E. Caterpillar Financial	-	192,883	27,876	165,007	16,325
F. Caterpillar Financial	-	170,878	21,073	149,805	10,586
G. Caterpillar Financial	-	108,609	16,630	91,979	10,192
H. John Deere Credit	-	156,310	14,164	142,146	12,200
	<u>876,601</u>	<u>1,931,112</u>	<u>933,966</u>	<u>1,873,747</u>	<u>228,855</u>
Accrued compensated absences	1,842,643	141,940	-	1,984,583	158,767
Total governmental activities	<u>\$ 9,787,850</u>	<u>\$ 2,917,840</u>	<u>\$ 3,728,603</u>	<u>\$ 8,977,087</u>	<u>\$ 2,479,952</u>
BUSINESS ACTIVITIES					
Notes payable:					
Gulf Breeze loan	\$ 2,845,000	\$ -	\$ 415,000	\$ 2,430,000	\$ 435,000
Other liabilities:					
Compensated absences	44,701	4,360	-	49,061	3,925
Estimated liability for landfill closure	6,835,754	1,603,464	-	8,439,218	-
Total business activities	<u>\$ 9,725,455</u>	<u>\$ 1,607,824</u>	<u>\$ 415,000</u>	<u>\$ 10,918,279</u>	<u>\$ 438,925</u>

*Includes prior period adjustment of \$1,093,463

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.

\$8,439,218 reported as landfill closure and postclosure care liability at September 30, 2007, 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 2007. 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, 2007, restricted cash of \$4,023,585 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 September 30</u>	
2008	\$ 248,739
2009	142,642
2010	25,214
2011	4,167
	<u>\$ 420,762</u>

NOTE 13. DEFINED BENEFIT PENSION PLAN

A. Florida Retirement System

Plan Description - The Board 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 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, 2007, as follows (contribution rates are in agreement with the actuarially determined rates):

	<u>10/01/06 to 09/30/07</u>
<u>Regular Class</u> - Members not qualifying for other classes.	9.85%
<u>Senior Management Service Class</u> - Members of senior management who do not elect the optional annuity management program.	13.12%
<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.	20.92%
<u>Elected County Officer's Class</u> - Certain elected county officials	16.53%
<u>Deferred Retirement Option Program</u> - Members who are eligible for normal retirement that have elected to participate in the deferred retirement option program.	10.94%

Contributions to the FRS for the fiscal year ended September 30, 2007, were equal to 13.1% of the annual covered payroll. Contributions to the FRS for the fiscal years ended September 30, 2005, 2006, and 2007, were \$506,154, \$632,715, and \$1,031,916 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.

NOTE 15. RISK MANAGEMENT

The Board participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the Board'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 Board 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 Board.

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 Board.

NOTE 16. CONSTRUCTION COMMITMENTS

During the year, the Board 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. PRIOR PERIOD ADJUSTMENTS

The following prior period adjustments have been made to the net assets in the financial statements of the County.

<u>Fund/Account</u>	<u>Net Assets Increase (Decrease)</u>	<u>Account Corrected</u>	<u>Reason for Adjustment</u>
Capital Assets, Governmental Activities	\$ 56,994,847	Infrastructure capital assets	Road improvements were included on a retroactive basis per GASB 34 requirements.
	21,926	Equipment	Equipment was understated in the prior fiscal year.
	(41,145,706)	Accumulated depreciation	Accumulated depreciation on roads was included on a retro- active basis per GASB 34 requirements.
Landfill	(1,093,463)	Estimated liability for landfill closure	Post closure costs for the landfill were overstated in prior fiscal years.

NOTE 18. FUND EQUITY DEFICITS

The following governmental funds had a deficit in fund balance at September 30, 2007:

Economic Development	\$ 1,859,840
Road Improvement Debt Service	311,446
	<u>\$ 2,171,286</u>

The deficits of these funds will be funded by loan proceeds to be received in the ensuing year.

NOTE 19. SUBSEQUENT EVENTS

As discussed in Note 4, at September 30, 2007, the County had \$243,615 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool).

On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Pool coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub-prime mortgage risk. On December 4, 2007, based on recommendation from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A consisted of money market appropriate assets, which was approximately \$12 billion or 86% of Pool assets. Pool B consisted of assets that either had defaulted on a payment, paid more slowly than expected and/or had any significant credit and liquidity risk, which was approximately \$2 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B.

Currently, Pool B participants are prohibited from withdrawing any amount from the Pool and a formal withdrawal policy has not yet been developed. Market valuations of the assets held in Pool B are not readily available. In addition, full realization of the principal value of Pool B assets is not readily determinable.

After making allowed withdrawals from the Pool, as of July 31, 2008, the County has \$48,051 and \$11,960 invested in Pool A and B, respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

REQUIRED SUPPLEMENTARY INFORMATION

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
TAXES				
Advalorem taxes				
Ad valorem taxes	\$ 20,005,487	\$ 20,005,487	\$ 18,074,171	\$ (1,931,316)
Delinquent taxes	35,000	35,000	1,788,972	1,753,972
Sales and Use Taxes				
Small County Infrastructure Surtax	3,015,300	3,015,300	2,970,251	(45,049)
Communications Service Taxes	110,000	110,000	122,455	12,455
Total Taxes	23,165,787	23,165,787	22,955,849	(209,938)
INTERGOVERNMENTAL				
Federal Grants				
Public Safety				
Emergency preparedness grants	15,740	15,740	20,247	4,507
Homeland Security	-	-	33,866	33,866
Title IV-A Rural Fire	-	-	2,553	2,553
Total Federal Grants	15,740	15,740	56,666	40,926
Federal payments in lieu of taxes	-	-	2,802	2,802
State Grants				
Public Safety				
State Emergency Preparedness	102,959	102,959	102,959	-
FEMA State portion	-	-	92,480	92,480
Human Services				
Mosquito Control	37,000	37,000	37,000	-
Culture and recreation				
State Aid to Libraries	30,000	30,000	29,869	(131)
Gates grant	10,000	10,000	15,000	5,000
Other	10,000	10,000	10,984	984
Total State Grants	189,959	189,959	288,292	98,333
State Shared Revenues				
Insurance Agents' Licenses	15,000	15,000	26,881	11,881
Alcohol Beverage Licenses	13,000	13,000	13,120	120
Half-cent sales tax	175,823	175,823	175,823	-
Total State Shared Revenues	203,823	203,823	215,824	12,001
State Payments in Lieu of Taxes				
SRWMD	20,000	20,000	10,740	(9,260)
Grants from Other Local Units	-	-	301,709	301,709
Total Intergovernmental Revenue	429,522	429,522	876,033	446,511

(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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
CHARGES FOR SERVICES				
General Government				
Copies	\$ -	\$ -	\$ 107	\$ 107
Tax Collector Fees	-	-	20,236	20,236
Sheriff Fees	85,000	85,000	95,093	10,093
Supervisor fees	-	-	1,199	1,199
Administrative	386,850	386,850	386,850	-
SHIP Administration	-	-	28,759	28,759
Public Safety				
911 Surcharge	230,000	230,000	162,247	(67,753)
Room and board for prisoners	-	-	21,630	21,630
Wireless 911 Fees	65,000	65,000	115,129	50,129
Human Services				
Animal Control Fees	3,000	3,000	2,701	(299)
Culture and Recreation				
Lake City Library Fees	1,500	1,500	1,731	231
Lake City Printing	5,000	5,000	4,136	(864)
Ft. White Library Fees	100	100	124	24
Ft. White Printing	400	400	484	84
West Branch Library Fees	200	200	278	78
West Branch Printing	500	500	617	117
Court Related				
Court Costs	-	-	43,346	43,346
Court Facility Fee	165,000	165,000	195,674	30,674
Other Charges for Services	27,000	27,000	15,140	(11,860)
Total Charges for Services	969,550	969,550	1,095,481	125,931
FINES AND FORFEITURES				
Library Fines	33,500	33,500	34,143	643
Total fines	33,500	33,500	34,143	643
MISCELLANEOUS				
Interest	575,000	575,000	923,874	348,874
Rentals and Leases	5,600	5,600	10,000	4,400
Disposition of Fixed Assets	-	-	400	400
Contributions	-	-	1,277	1,277
Other	30,000	30,000	245,613	215,613
Total Miscellaneous	610,600	610,600	1,181,164	570,564
TOTAL REVENUES	25,208,959	25,208,959	26,142,670	933,711

(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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
General Government				
Legislative				
Personal services	\$ 802,941	\$ 802,987	\$ 802,987	\$ -
Operating expenses	175,000	374,365	374,365	-
Capital outlay	-	18,802	20,802	(2,000)
Total legislative	<u>977,941</u>	<u>1,196,154</u>	<u>1,198,154</u>	<u>(2,000)</u>
Executive				
Personal services	<u>1,800</u>	<u>1,800</u>	<u>1,600</u>	<u>200</u>
Tax Collector				
Operating expenses	<u>750,000</u>	<u>750,000</u>	<u>705,415</u>	<u>44,585</u>
Accounting and Auditing				
Operating expenses	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>	<u>-</u>
Data Processing				
Operating expenses	<u>32,000</u>	<u>38,530</u>	<u>38,530</u>	<u>-</u>
Legal Counsel				
Personal services	114,791	129,317	129,317	-
Operating expenses	<u>2,000</u>	<u>3,386</u>	<u>3,386</u>	<u>-</u>
Total legal counsel	<u>116,791</u>	<u>132,703</u>	<u>132,703</u>	<u>-</u>
Circuit Court				
Operating expenses	-	-	47,616	(47,616)
Capital outlay	-	-	5,520	(5,520)
Total Circuit Court	<u>-</u>	<u>-</u>	<u>53,136</u>	<u>(53,136)</u>
General Government				
Personal services	-	1,344	1,344	-
Operating expenses	-	5,731	5,731	-
Total general government	<u>-</u>	<u>7,075</u>	<u>7,075</u>	<u>-</u>
Nondepartmental				
Personal services	10,000	4,827	4,827	-
Operating expenses	<u>520,500</u>	<u>480,028</u>	<u>478,328</u>	<u>1,700</u>
Total nondepartmental	<u>530,500</u>	<u>484,855</u>	<u>483,155</u>	<u>1,700</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Courthouse Maintenance				
Personal services	\$ 697,138	\$ 711,990	\$ 711,988	\$ 2
Operating expenses	365,133	403,693	403,694	(1)
Capital outlay	5,000	20,470	20,470	-
Total courthouse maintenance	1,067,271	1,136,153	1,136,152	1
Annex				
Operating expenses	52,510	52,510	52,509	1
Montgomery Building				
Operating expenses	26,320	26,320	26,320	-
Witt Building				
Operating expenses	2,700	2,700	2,700	-
Utilities Sheriff				
Operating expenses	13,472	13,472	13,472	-
Supervisor of Elections				
Operating expenses	136,476	136,476	136,476	-
Watertown Building				
Operating expenses	18,337	18,337	18,337	-
Total general government	3,821,118	4,092,085	4,100,734	(8,649)
Public Safety				
Emergency				
Operating expenses	15,740	20,191	20,191	-
Preparedness				
Personal services	103,386	108,109	108,109	-
Operating expenses	44,700	42,113	38,329	3,784
Total preparedness	148,086	150,222	146,438	3,784
Safety				
Personal services	64,421	73,928	73,928	-
Operating expenses	25,450	23,946	23,946	-
Total safety	89,871	97,874	97,874	-
Medical examiner				
Operating expenses	240,000	178,840	178,840	-

(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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Corrections				
Personal services	\$ 175,000	\$ 84,325	\$ 84,325	\$ -
Corrections Maintenance				
Personal services	42,746	46,728	46,728	-
Operating expenses	359,000	292,611	292,611	-
Capital outlay	150,000	-	-	-
Total corrections maintenance	<u>551,746</u>	<u>339,339</u>	<u>339,339</u>	<u>-</u>
Law Enforcement				
Personal services	435,000	276,560	276,560	-
Judicial				
Capital outlay	-	500,302	500,302	-
Emergency services				
Operating expenses	6,872	-	6,872	(6,872)
Capital outlay	62,129	35,954	35,954	-
Total emergency services	<u>69,001</u>	<u>35,954</u>	<u>42,826</u>	<u>(6,872)</u>
Addressing				
Capital outlay	-	26,175	26,175	-
Total Public Safety	<u>1,724,444</u>	<u>1,709,782</u>	<u>1,712,870</u>	<u>(3,088)</u>
Physical Environment				
Conservation and Resource Management				
Personal services	182,420	191,962	191,962	-
Operating expenses	73,145	63,536	63,536	-
Total conservation and resource management	<u>255,565</u>	<u>255,498</u>	<u>255,498</u>	<u>-</u>
Landscaping				
Personal expenses	117,470	153,666	153,666	-
Operating expenses	44,900	37,216	37,216	-
Total landscaping	<u>162,370</u>	<u>190,882</u>	<u>190,882</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Conservation and development				
Grants and aids	\$ 20,646	\$ 7,646	\$ 7,646	\$ -
Florida Forest				
Grants and aids	3,000	3,000	3,000	-
Projects				
Operating expenses	66,600	64,068	62,846	1,222
Capital outlay	-	108,844	107,066	1,778
	<u>66,600</u>	<u>172,912</u>	<u>169,912</u>	<u>3,000</u>
Florida Boating Improvement				
Operating expenses	-	-	1,386	(1,386)
FEMA				
Operating expenses	-	134,859	134,859	-
Local Mitigation Strategy				
Operating expenses	-	3,246	3,246	-
Total Physical Environment	<u>508,181</u>	<u>768,043</u>	<u>766,429</u>	<u>1,614</u>
Economic Environment				
Industry Development				
Grants and aids	-	106,913	106,913	-
Downtown Redevelopment				
Grants and aids	160,000	160,000	148,879	11,121
Veterans Services				
Personal services	99,786	91,536	91,536	-
Operating expenses	9,600	186,141	186,140	1
Capital outlay	-	73,705	73,705	-
Total Veterans services	<u>109,386</u>	<u>351,382</u>	<u>351,381</u>	<u>1</u>
Special Projects				
Capital outlay	250,000	148,827	148,827	-
Total Economic Environment	<u>519,386</u>	<u>767,122</u>	<u>756,000</u>	<u>11,122</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Human Services				
Mosquito Control				
Personal services	\$ 19,034	\$ 10,557	\$ 10,557	\$ -
Operating expenses	72,292	32,228	32,228	-
Capital outlay	20,500	11,468	11,468	-
Total mosquito control	<u>111,826</u>	<u>54,253</u>	<u>54,253</u>	<u>-</u>
Human Services				
Grants and aids	<u>1,773,134</u>	<u>1,832,094</u>	<u>1,832,094</u>	<u>-</u>
Mental Health				
Grants and aids	<u>195,000</u>	<u>195,000</u>	<u>195,000</u>	<u>-</u>
Welfare and Public Assistance				
Operating expenses	-	30,352	30,352	-
Grants and aids	<u>121,425</u>	<u>338,425</u>	<u>338,425</u>	<u>-</u>
Total welfare and public assistance	<u>121,425</u>	<u>368,777</u>	<u>368,777</u>	<u>-</u>
Retardation				
Grants and aids	<u>40,000</u>	<u>95,500</u>	<u>95,500</u>	<u>-</u>
Other Human Services				
Grants and aids	<u>10,000</u>	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Total Human Services	<u>2,251,385</u>	<u>2,563,624</u>	<u>2,563,624</u>	<u>-</u>
Culture/Recreation				
Library				
Personal services	518,892	494,096	494,096	-
Operating expenses	<u>175,607</u>	<u>183,136</u>	<u>183,136</u>	<u>-</u>
Total library	<u>694,499</u>	<u>677,232</u>	<u>677,232</u>	<u>-</u>
Ft. White Library				
Personal services	66,532	69,788	69,788	-
Operating expenses	<u>33,000</u>	<u>23,825</u>	<u>23,825</u>	<u>-</u>
Total Ft. White Library	<u>99,532</u>	<u>93,613</u>	<u>93,613</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Parks and recreation				
Operating expenses	\$ 45,000	\$ 59,003	\$ 59,003	\$ -
Capital outlay	35,000	1,550,653	1,550,653	-
Grants and aids	306,250	507,111	507,111	-
Total parks and recreation	386,250	2,116,767	2,116,767	-
Special Events				
Grants and aids	-	11,306	11,306	-
Total Culture/Recreation	1,180,281	2,898,918	2,898,918	-
Total Expenditures	10,004,795	12,799,574	12,798,575	999
Excess of revenues over (under) expenditures	15,204,164	12,409,385	13,344,095	934,710
Other financing sources (uses)				
Operating transfers in	495,201	495,201	495,201	-
Operating transfers out	-	-	-	-
Transfer to Officer Funds	(13,794,585)	(14,373,287)	(14,373,287)	-
Total other financing sources (uses)	(13,299,384)	(13,878,086)	(13,878,086)	-
Net change in fund balance	1,904,780	(1,468,701)	(533,991)	934,710
Fund balance, beginning of year	13,202,505	13,202,505	13,202,505	-
Prior period adjustment	249,696	249,696	249,696	-
Fund balance, end of year	\$ 15,356,981	\$ 11,983,500	\$ 12,918,210	\$ 934,710

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Sales and use taxes				
County 1 - cent voted gas tax	\$ 616,219	\$ 616,219	\$ 646,194	\$ 29,975
Local option gas tax/alternative fuel	1,591,573	1,591,573	1,655,125	63,552
Small county infrastructure surtax	744,036	744,036	1,050,490	306,454
Total taxes	<u>2,951,828</u>	<u>2,951,828</u>	<u>3,351,809</u>	<u>399,981</u>
Intergovernmental revenue				
Federal grants				
Title III	15,000	15,000	5,920	(9,080)
Federal payments in lieu of taxes				
Federal forestry	125,000	125,000	172,630	47,630
State shared revenues				
General government				
State revenue sharing	585,964	585,964	585,964	-
Fiscally constrained	552,088	552,088	572,480	20,392
Transportation				
Motor fuel tax rebate	-	-	40,869	40,869
Constitutional gas tax	1,514,637	1,514,637	1,510,392	(4,245)
County gas tax	685,536	685,536	658,077	(27,459)
Special and motor fuel use tax	25,000	25,000	6,764	(18,236)
Total intergovernmental revenue	<u>3,503,225</u>	<u>3,503,225</u>	<u>3,553,096</u>	<u>49,871</u>
Charges for services				
Transportation	3,500	3,500	11,235	7,735
Miscellaneous				
Interest				
SBA	15,000	15,000	13,907	(1,093)
Other interest	85,000	85,000	144,291	59,291
Other miscellaneous	20,000	20,000	159,641	139,641
Total miscellaneous	<u>120,000</u>	<u>120,000</u>	<u>317,839</u>	<u>197,839</u>
Total revenues	<u>6,578,553</u>	<u>6,578,553</u>	<u>7,233,979</u>	<u>655,426</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Transportation				
Contracted mowing				
Operating expenses	\$ 265,000	\$ 187,583	\$ 187,582	\$ 1
Total contracted mowing	<u>265,000</u>	<u>187,583</u>	<u>187,582</u>	<u>1</u>
Graded roads				
Personal services	877,867	845,674	845,673	1
Operating expenses	52,250	6,599	8,056	(1,457)
Capital outlay	-	-	2,023,368	(2,023,368)
Debt service	240,000	930,855	955,427	(24,572)
Total graded roads	<u>1,170,117</u>	<u>1,783,128</u>	<u>3,832,524</u>	<u>(2,049,396)</u>
Drainage and equipment				
Personal services	338,291	269,308	269,309	(1)
Operating expenses	377,000	441,403	445,447	(4,044)
Debt service	-	16,630	16,630	-
Total drainage and equipment	<u>715,291</u>	<u>727,341</u>	<u>731,386</u>	<u>(4,045)</u>
Sign shop				
Personal services	121,410	78,860	78,860	-
Operating expenses	336,000	220,771	220,771	-
Total sign shop	<u>457,410</u>	<u>299,631</u>	<u>299,631</u>	<u>-</u>
Repair shop				
Personal services	402,169	372,791	372,791	-
Operating expenses	230,000	244,426	244,427	(1)
Total repair shop	<u>632,169</u>	<u>617,217</u>	<u>617,218</u>	<u>(1)</u>
Stock room				
Personal services	32,268	33,357	33,358	(1)
Operating expenses	456,500	460,548	460,548	-
Total stock room	<u>488,768</u>	<u>493,905</u>	<u>493,906</u>	<u>(1)</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Administration				
Personal services	\$ 629,888	\$ 706,377	\$ 706,377	\$ -
Operating expenses	517,250	714,278	634,850	79,428
Capital outlay	-	30,100	20,279	9,821
Total administration	<u>1,147,138</u>	<u>1,450,755</u>	<u>1,361,506</u>	<u>89,249</u>
Tree trimming				
Personal services	316,513	257,930	257,931	(1)
Operating expenses	40,000	33,022	41,647	(8,625)
Capital outlay	-	32,255	23,630	8,625
Total tree trimming	<u>356,513</u>	<u>323,207</u>	<u>323,208</u>	<u>(1)</u>
Secondary maintenance				
Personal services	137,900	168,993	168,993	-
Operating expenses	12,000	3,917	3,917	-
Total secondary maintenance	<u>149,900</u>	<u>172,910</u>	<u>172,910</u>	<u>-</u>
Roadway enhancements				
Operating expenses	<u>525,000</u>	<u>257,406</u>	<u>257,405</u>	<u>1</u>
Suwannee Valley Transit				
Grants and aids	<u>24,492</u>	<u>27,492</u>	<u>18,369</u>	<u>9,123</u>
Total expenditures	<u>5,931,798</u>	<u>6,340,575</u>	<u>8,295,645</u>	<u>(1,955,070)</u>
Excess of revenues over (under) expenditures	<u>646,755</u>	<u>237,978</u>	<u>(1,061,666)</u>	<u>(1,299,644)</u>
OTHER FINANCING SOURCES (USES)				
Debt proceeds	-	-	1,931,112	1,931,112
Sale of equipment	-	-	883,138	883,138
Total other financing sources uses	<u>-</u>	<u>-</u>	<u>2,814,250</u>	<u>2,814,250</u>
Net change in fund balance	<u>646,755</u>	<u>237,978</u>	<u>1,752,584</u>	<u>1,514,606</u>
Fund balance at beginning of year	<u>(3,304,024)</u>	<u>(3,304,024)</u>	<u>3,304,024</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,950,779</u>	<u>\$ 3,542,002</u>	<u>\$ 5,056,608</u>	<u>\$ 1,514,606</u>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Franchise fees				
Solid waste	\$ 80,000	\$ 80,000	\$ 127,151	\$ 47,151
Licenses and permits				
Professional and occupational	75,000	75,000	76,256	1,256
Building permits	360,000	360,000	353,968	(6,032)
Other licenses and permits				
Permits land use	160,000	160,000	156,274	(3,726)
Building inspection	5,000	5,000	2,789	(2,211)
Total licenses and permits	<u>600,000</u>	<u>600,000</u>	<u>589,287</u>	<u>(10,713)</u>
Intergovernmental				
State grants				
Ecosystem management	-	-	74,848	74,848
State shared revenues				
General government				
Mobile home permits	24,000	24,000	25,807	1,807
State revenue sharing	260,000	260,000	257,828	(2,172)
Communications service taxes	272,028	272,028	246,250	(25,778)
Total intergovernmental	<u>556,028</u>	<u>556,028</u>	<u>604,733</u>	<u>48,705</u>
Fines and forfeitures				
General government				
Violation of local ordinances	500	500	7,275	6,775
Miscellaneous				
Interest earnings				
Interest on investments	66,000	66,000	58,252	(7,748)
Interest SBA and other	15,000	15,000	16,712	1,712
Special assessments/impact fees				
Special assessments				
Fire	2,600,000	2,600,000	2,382,063	(217,937)
Physical environment	3,517,000	3,517,000	2,909,991	(607,009)
Partial year solid waste	75,000	75,000	76,727	1,727
Delinquent fees	5,000	5,000	667,923	662,923
Other miscellaneous				
Special lighting	1,500	1,500	1,388	(112)
Other	500	500	3,486	2,986
Total miscellaneous	<u>6,280,000</u>	<u>6,280,000</u>	<u>6,116,542</u>	<u>(163,458)</u>
Total revenues	<u>7,516,528</u>	<u>7,516,528</u>	<u>7,444,988</u>	<u>(71,540)</u>

(Continued)

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, 2007

EXPENDITURES	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
General government				
Legislative				
Operating expenses	\$ 98,750	\$ 175,507	\$ 209,267	\$ (33,760)
Financial and administrative				
Operating expenses	155,000	72,199	67,199	5,000
Total general government	253,750	247,706	276,466	(28,760)
Public safety				
Protective inspections				
Personal services	566,901	495,708	495,708	-
Operating expenses	151,900	128,929	136,109	(7,180)
Capital outlay	25,000	22,512	15,332	7,180
Total protective inspections	743,801	647,149	647,149	-
Fire departments				
Personal services	1,443,685	1,506,608	1,506,608	-
Operating expenses	457,000	460,920	496,506	(35,586)
Capital outlay	591,052	441,851	682,501	(240,650)
Total fire departments	2,491,737	2,409,379	2,685,615	(276,236)
Fire control				
Grants and aids	19,364	40,406	40,406	-
Code enforcement				
Personal services	74,975	58,950	58,950	-
Operating expenses	18,300	13,220	60,591	(47,371)
Capital outlay	-	62,218	14,846	47,372
Total code enforcement	93,275	134,388	134,387	1
Addressing services				
Personal services	69,644	95,151	95,151	-
Operating expenses	35,155	29,424	45,712	(16,288)
Capital outlay	-	4,288	-	4,288
Total addressing services	104,799	128,863	140,863	(12,000)
Total public safety	3,452,976	3,360,185	3,648,420	(288,235)
Physical environment				
Operating expenses	3,390,000	3,857,097	3,818,394	38,703
Culture/recreation				
Parks and recreation				
Operating expenses	-	30,272	21,337	8,935
Capital outlay	-	190,979	190,979	-
Grants and aids	45,200	8,948	17,823	(8,875)
Total parks and recreation	45,200	230,199	230,139	60

(Continued)

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Spring Hollow Subdivision				
Operating expenses	\$ -	\$ -	\$ 1,111	\$ (1,111)
Total culture/recreation	45,200	230,199	231,250	(1,051)
Total expenditures	7,141,926	7,695,187	7,974,530	(279,343)
Excess of revenues over (under) expenditures	374,602	(178,659)	(529,542)	(350,883)
OTHER FINANCING SOURCES				
Sale of fixed assets	-	-	55,194	55,194
Interfund transfers in	-	-	82,155	82,155
Debt proceeds	-	-	4,788	4,788
Total other financing sources	-	-	142,137	86,943
Net change in fund balance	374,602	(178,659)	(387,405)	(208,746)
Fund balance beginning of year	1,128,152	1,128,152	1,128,152	-
Prior period adjustment	-	-	288,237	288,237
Fund balance end of year	\$ 1,502,754	\$ 949,493	\$ 1,028,984	\$ 79,491

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Small County Infrastructure Surtax	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Intergovernmental revenue				
State shared revenue				
General government				
State revenue sharing	630,000	630,000	624,439	(5,561)
Racing tax	223,250	223,250	223,250	-
Total intergovernmental revenue	<u>1,153,250</u>	<u>1,153,250</u>	<u>1,147,689</u>	<u>(5,561)</u>
Charges for services				
Public safety				
Ambulance fees	1,200,000	1,200,000	1,209,420	9,420
911 Telephone assessments	-	-	11,845	11,845
Total charges for services	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,221,265</u>	<u>21,265</u>
Miscellaneous				
Interest earnings				
Interest on investments	95,000	95,000	152,031	57,031
Interest SBA	-	-	13,698	13,698
Rents				
Rents and leases	1,800	1,800	2,591	791
Special assessments/impact fees				
Special assessments				
Delinquent special assessments	5,000	5,000	7,370	2,370
City EMS assessments	250,000	250,000	-	(250,000)
Other miscellaneous	500	500	984	484
Total miscellaneous	<u>352,300</u>	<u>352,300</u>	<u>176,674</u>	<u>(175,626)</u>
Total revenues	<u>2,705,550</u>	<u>2,705,550</u>	<u>2,545,628</u>	<u>(159,922)</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
General government				
Legislative				
Operating expenses	\$ 108,750	\$ 211,485	\$ 211,485	\$ -
Financial and administrative				
Operating expenses	-	50,164	-	50,164
Total general government	<u>108,750</u>	<u>261,649</u>	<u>211,485</u>	<u>50,164</u>
Public safety				
Fire departments				
Operating expenses	-	-	23,137	(23,137)
Total fire departments	<u>-</u>	<u>-</u>	<u>23,137</u>	<u>(23,137)</u>
FireControl				
Operating expenses	-	-	27,027	(27,027)
Total fire control	<u>-</u>	<u>-</u>	<u>27,027</u>	<u>(27,027)</u>
EMS Communications				
Operating expenses	150,000	144,634	144,633	1
Total EMS communications	<u>150,000</u>	<u>144,634</u>	<u>144,633</u>	<u>1</u>
EMS billings				
Personal services	105,822	109,512	109,511	1
Operating expenses	20,200	17,236	17,235	1
Total EMS billings	<u>126,022</u>	<u>126,748</u>	<u>126,746</u>	<u>2</u>
EMS Medical Director				
Personal services	17,812	11,515	11,515	-
Total EMS medical director	<u>17,812</u>	<u>11,515</u>	<u>11,515</u>	<u>-</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Ambulance services				
Personal services	\$ 1,597,373	\$ 1,765,779	\$ 1,765,780	(1)
Operating expenses	436,150	555,081	555,080	1
Capital outlay	-	77,268	77,268	-
Total ambulance services	<u>2,033,523</u>	<u>2,398,128</u>	<u>2,398,128</u>	<u>-</u>
EMS Tower				
Operating expenses	7,900	7,038	7,038	-
Total EMS tower	<u>7,900</u>	<u>7,038</u>	<u>7,038</u>	<u>-</u>
Total public safety	<u>2,335,257</u>	<u>2,688,063</u>	<u>2,738,224</u>	<u>(50,161)</u>
Total expenditures	<u>2,444,007</u>	<u>2,949,712</u>	<u>2,949,709</u>	<u>3</u>
Net change in fund balance	261,543	(244,162)	(404,081)	(159,919)
Fund balance beginning of year	<u>2,998,323</u>	<u>2,998,323</u>	<u>2,998,323</u>	<u>-</u>
Fund balance end of year	<u>\$ 3,259,866</u>	<u>\$ 2,754,161</u>	<u>\$ 2,594,242</u>	<u>\$ (159,919)</u>

See notes to financial statements.

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

**ECONOMIC DEVELOPMENT
DEBT SERVICE FUND**

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

For the Fiscal Year Ended September 30, 2007

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				
State shared revenues				
Half-cent sales tax	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ -
Grants from other local units	-	-	583,000	583,000
Total intergovernmental	<u>1,600,000</u>	<u>1,600,000</u>	<u>2,183,000</u>	<u>583,000</u>
Miscellaneous				
Interest	25,000	-	5,245	5,245
Rents	177,304	191,687	177,305	(14,382)
Other	-	6,136	2,023	(4,113)
Total miscellaneous	<u>202,304</u>	<u>197,823</u>	<u>184,573</u>	<u>(13,250)</u>
Total revenues	<u>1,802,304</u>	<u>1,797,823</u>	<u>2,367,573</u>	<u>569,750</u>
EXPENDITURES				
Economic environment				
New Millennium Project				
Debt service	1,141,429	1,139,080	1,139,680	(600)
Target				
Operating expenses	-	-	254,595	(254,595)
Capital outlay	330,000	3,285,400	2,827,107	458,293
	<u>330,000</u>	<u>3,285,400</u>	<u>3,081,702</u>	<u>203,698</u>
Industry Development				
Grants and aids	50,000	254,595	-	254,595
Homes of Merit				
Debt service	176,000	970,635	970,635	-
Total expenditures	<u>1,697,429</u>	<u>5,649,710</u>	<u>5,192,017</u>	<u>457,693</u>
Excess of revenues over (under) expenditures	104,875	(3,851,887)	(2,824,444)	1,027,443
Other financing sources				
Debt proceeds	-	-	840,000	840,000
Net change in fund balance	<u>104,875</u>	<u>(3,851,887)</u>	<u>(1,984,444)</u>	<u>1,867,443</u>
Fund balance beginning of year	124,604	124,604	124,604	-
Fund balance end of year	<u>\$ 229,479</u>	<u>\$ (3,727,283)</u>	<u>\$ (1,859,840)</u>	<u>\$ 1,867,443</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				
State grants				
Economic Development				
Transportation Trust	\$ 2,826,000	\$ 2,826,000	\$ 2,000,000	\$ (826,000)
Total intergovernmental	2,826,000	2,826,000	2,000,000	(826,000)
Miscellaneous				
Interest	10,000	10,000	208,079	198,079
Other miscellaneous	-	-	2,082	2,082
Total miscellaneous	10,000	10,000	210,161	200,161
Total revenues	2,836,000	2,836,000	2,210,161	(625,839)
EXPENDITURES				
Legislative				
Operating expenses	20,000	20,000	20,000	-
Transportation				
Road and street legislative				
Operating expenses	100,000	100,000	62,209	37,791
Total road and street legislative	100,000	100,000	62,209	37,791
US 90 to CSX				
Operating expenses	-	-	57,905	(57,905)
Capital outlay	6,874,200	6,874,200	1,278	6,872,922
Total US 90 to CSX	6,874,200	6,874,200	59,183	6,815,017
CSX Railroad Bridge				
Operating expenses	-	-	129,957	(129,957)
CSX to US 41				
Operating expenses	-	-	105,471	(105,471)
Capital outlay	-	-	2,500	(2,500)
Total CSX to US 41	-	-	107,971	(107,971)
Real Road extension				
Capital outlay	-	-	27,431	(27,431)
Total transportation	6,974,200	6,974,200	386,751	6,587,449
Total expenditures	6,994,200	6,994,200	406,751	6,587,449
Excess of revenues over (under) expenditures	(4,158,200)	(4,158,200)	1,803,410	5,961,610
Fund balance at beginning of year	3,941,788	3,941,788	3,941,788	-
Fund balance at end of year	\$ (216,412)	\$ (216,412)	\$ 5,745,198	\$ 5,961,610
See notes to financial statements.				

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, 2007

	Budgeted amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Infrastructure surtax	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
Intergovernmental				
State grants				
Transportation				
Small County Road Assistance Program	4,181,981	4,181,981	1,507,548	(2,674,433)
Small County Outreach	2,157,120	2,157,120	1,659,974	(497,146)
State shared revenues				
General government				
Half-cent sales tax	2,500,000	2,500,000	-	(2,500,000)
Total intergovernmental	8,839,101	8,839,101	3,167,522	(5,671,579)
Miscellaneous				
Interest	5,000	5,000	61,436	56,436
Paving assessments	31,000	31,000	30,730	(270)
Total miscellaneous	36,000	36,000	92,166	56,166
Total revenues	8,875,101	8,875,101	5,759,688	(3,115,413)
EXPENDITURES				
Transportation				
Rolling Oaks				
Operating expenses	-	2,826	2,826	-
Capital outlay	-	1,269,501	1,269,501	-
Total Rolling Oaks	-	1,272,327	1,272,327	-
CR 138				
Operating expenses	-	-	1,026	(1,026)
Booker - T Combs Road				
Operating expenses	-	1,440	1,439	1
Lake Jeffery Road				
Capital outlay	-	21,830	21,830	-
Stewart Circle				
Capital outlay	-	11,250	11,250	-

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, 2007

	Budgeted amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Fiddler's Way				
Operating expenses	\$ -	\$ 1,375	\$ 1,375	\$ -
CR 138				
Capital outlay	1,920,000	1,761,275	1,761,275	-
Lulu Area				
Capital outlay	200,000	262,462	262,462	-
CR 240 (247-47)				
Capital outlay	1,300,000	933,733	933,733	-
CR 133				
Capital outlay	-	616,033	616,033	-
Kerce Road				
Operating expenses	-	-	579	(579)
Woodland Avenue				
Capital outlay	-	232,233	232,233	-
Turner Road				
Operating expenses	750,000	7,725	7,725	-
Brown Road				
Operating expenses	-	8,683	8,683	-
Other road projects				
Capital outlay	4,165,000	-	-	-
Total expenditures	8,335,000	5,130,366	5,131,970	(1,604)
Excess of revenues over (under) expenditures	540,101	3,744,735	627,718	(3,117,017)
Other Financing Sources (Uses)				
Transfers out	-	-	(169,356)	(169,356)
Net change in fund balance	540,101	3,744,735	458,362	(3,286,373)
Fund balance beginning of year	3,584,629	3,584,629	3,584,629	-
Fund balance end of year	\$ 4,124,730	\$ 7,329,364	\$ 4,042,991	\$ (3,286,373)

See notes to financial statements.

COMBINING STATEMENTS

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2007

	Community Development Block Grant	Court Reporting	Court Services	Industrial Development Authority	Special Law Enforcement Special	Revenue Law Library
ASSETS						
Current Assets						
Cash	\$ 49	\$ 83,881	\$ 744,489	\$ 411,902	\$ 49,548	\$ 3,946
Accounts receivable	-	-	-	112	-	-
Due from other funds	-	-	-	-	-	-
Due from other governmental units	-	-	16,983	-	-	-
Investments	-	-	-	-	1,390	-
Total assets	\$ 49	\$ 83,881	\$ 761,472	\$ 412,014	\$ 50,938	\$ 3,946
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Current Liabilities						
Accounts payable	\$ -	\$ 100	\$ -	\$ -	\$ 500	\$ -
Due to other funds	-	-	-	-	-	-
Other current liabilities	-	-	-	1,617	-	-
Revenues collected in advance	-	-	-	-	-	-
Total liabilities	-	100	-	1,617	500	-
FUND BALANCES						
Unreserved	49	83,781	761,472	410,397	50,438	3,946
Total fund balances	49	83,781	761,472	410,397	50,438	3,946
Total liabilities and fund balances	\$ 49	\$ 83,881	\$ 761,472	\$ 412,014	\$ 50,938	\$ 3,946

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

September 30, 2007

Funds			Debt Services Funds			Capital Projects Funds	Total Nonmajor Governmental Funds
Library Enhancement	Local Housing Assistance	Tourist Development Tax	Jail	Road Improvement	Tourist Development	Paving Assessments	
\$ 747,698	\$ 257,056	\$ 58,343	\$ -	\$ -	\$ 464,918	\$ -	\$ 2,821,830
2,465	-	4,650	-	-	-	-	7,227
-	-	-	1,762,345	-	-	-	1,762,345
-	-	27,371	319,972	34,232	-	384	398,942
1,322,054	-	-	-	-	47,482	-	1,370,926
<u>\$ 2,072,217</u>	<u>\$ 257,056</u>	<u>\$ 90,364</u>	<u>\$ 2,082,317</u>	<u>34,232</u>	<u>\$ 512,400</u>	<u>\$ 384</u>	<u>\$ 6,361,270</u>
\$ 401	\$ 3,599	\$ 2,124	\$ -	-	\$ -	\$ -	\$ 6,724
-	28,769	-	-	345,678	-	381,716	756,163
-	-	-	-	-	-	-	1,617
705	-	-	-	-	-	-	705
<u>1,106</u>	<u>32,368</u>	<u>2,124</u>	<u>-</u>	<u>345,678</u>	<u>-</u>	<u>381,716</u>	<u>765,209</u>
2,071,111	224,688	88,240	2,082,317	(311,446)	512,400	(381,332)	5,596,061
2,071,111	224,688	88,240	2,082,317	(311,446)	512,400	(381,332)	5,596,061
<u>\$ 2,072,217</u>	<u>\$ 257,056</u>	<u>\$ 90,364</u>	<u>\$ 2,082,317</u>	<u>\$ 34,232</u>	<u>\$ 512,400</u>	<u>\$ 384</u>	<u>\$ 6,361,270</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, 2007

	Community Development Block Grant	Court Reporting	Court Service	Industrial Development Authority	Special Law Enforcement Special	Revenue Law Library	Enhancement
REVENUES							
Taxes	\$ -	\$ -	\$ 275,001	\$ 310,150	\$ -	\$ -	
Intergovernmental	-	106,985	-	-	-	-	
Charges for services	-	160,433	266,872	-	-	-	
Fines and forfeitures	-	-	-	-	25,233	-	
Miscellaneous	-	-	25,352	15,001	3,211	-	
Total revenues	<u>-</u>	<u>267,418</u>	<u>567,225</u>	<u>325,151</u>	<u>28,444</u>	<u>-</u>	
EXPENDITURES							
Current Expenditures							
General government	-	206,943	17,000	-	-	175	
Public safety	-	-	-	-	-	-	
Transportation	-	-	-	-	-	-	
Economic environment	-	-	-	243,571	-	-	
Culture/recreation	-	-	-	-	-	-	
Court related	-	-	315,900	-	-	-	
Capital outlay							
Transportation	-	-	-	-	-	-	
Economic environment	-	-	-	-	-	-	
Culture/recreation	-	-	-	-	-	-	
Court related	-	-	-	-	-	-	
Debt service							
Transportation	-	-	-	-	-	-	
Economic environment	-	-	-	-	-	-	
Total expenditures	<u>-</u>	<u>206,943</u>	<u>332,900</u>	<u>243,571</u>	<u>-</u>	<u>175</u>	
Excess of revenues over (under expenditures)	<u>-</u>	<u>60,475</u>	<u>234,325</u>	<u>81,580</u>	<u>28,444</u>	<u>(175)</u>	
OTHER FINANCING SOURCES (USES)							
Interfund transfers in	-	-	-	-	-	-	
Interfund transfers out	-	-	-	-	(95,073)	-	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(95,073)</u>	<u>-</u>	
Net changes in fund balances	-	60,475	234,325	81,580	(66,629)	(175)	
Fund balances at beginning of year	49	23,306	527,147	328,817	117,067	4,121	
Fund balances at end of year	<u>\$ 49</u>	<u>\$ 83,781</u>	<u>\$ 761,472</u>	<u>\$ 410,397</u>	<u>\$ 50,438</u>	<u>\$ 3,946</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, 2007

Funds	Debt Service Funds					Capital Projects	Total Nonmajor Governmental Funds
Library Enhancement	Local Housing Assistance	Tourist Development Tax	Jail	Road Improvement	Tourist Development	Paving Assess- ments	
\$ -	\$ -	\$ 289,064	\$ -	\$ 900,000	\$ 93,201	\$ -	\$ 1,867,416
618,355	291,997	4,167	2,473,048	-	-	-	3,494,552
-	-	-	-	-	-	-	427,305
-	-	-	-	-	-	-	25,233
80,145	276	88,934	17,269	2,538	20,502	48	253,276
<u>698,500</u>	<u>292,273</u>	<u>382,165</u>	<u>2,490,317</u>	<u>902,538</u>	<u>113,703</u>	<u>48</u>	<u>6,067,782</u>
-	-	-	-	-	-	-	224,118
-	-	-	-	-	-	-	-
-	724,194	362,029	-	-	-	-	1,329,794
743,794	-	-	-	-	-	-	743,794
-	-	-	-	-	-	-	315,900
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	832,089	-	-	832,089
-	-	-	-	-	98,555	-	98,555
<u>743,794</u>	<u>724,194</u>	<u>362,029</u>	<u>-</u>	<u>832,089</u>	<u>98,555</u>	<u>-</u>	<u>3,544,250</u>
<u>(45,294)</u>	<u>(431,921)</u>	<u>20,136</u>	<u>2,490,317</u>	<u>70,449</u>	<u>15,148</u>	<u>48</u>	<u>2,523,532</u>
-	-	-	-	-	-	-	-
-	-	-	(408,000)	-	-	-	(503,073)
-	-	-	(408,000)	-	-	-	(503,073)
(45,294)	(431,921)	20,136	2,082,317	70,449	15,148	48	2,020,459
2,116,405	656,609	68,104	-	(381,895)	497,252	(381,380)	3,575,602
<u>\$ 2,071,111</u>	<u>\$ 224,688</u>	<u>\$ 88,240</u>	<u>\$ 2,082,317</u>	<u>\$ (311,446)</u>	<u>\$ 512,400</u>	<u>\$ (381,332)</u>	<u>\$ 5,596,061</u>

See notes to financial statements.

COMPLIANCE SECTION

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

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 (The County), as of and for the year ended September 30, 2007, and have issued our report thereon dated June 27, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

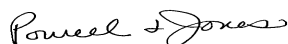
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

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

Compliance and Other Matters - As part of obtaining reasonable assurance about whether 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 or other matters that are required to be reported under Government Auditing Standards.

However, we noted certain matters that we reported to management of the Columbia County Board of County Commissioners in a separate letter dated June 27, 2008 on pages 183-184.

This report is intended solely for the information and use of management and the Board of County Commissioners, the Auditor General of the State of Florida, 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
June 27, 2008

MANAGEMENT LETTER

Honorable Board of County Commissioners
Columbia County, Florida

We have audited the accompanying financial statements of the Columbia County Board of County Commissioners (the Board), as of and for the year ended September 30, 2007, and have issued our report thereon dated June 27, 2008. 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 matter.

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

Fuel Purchases - From our review of vehicle fuel purchases by the Fire and Tourist Development Departments, we found instances where the vehicle odometer readings were not recorded on the vendor automated billing system. For proper accountability, odometer readings should be recorded for each vehicle fuel purchase and the resulting usage reports should be examined and reconciled for any resulting out-of-range readings.

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

CURRENT YEAR FINDINGS

Fuel Logs – For several months during the year the recording function of the County's automated fueling system was inoperable due to lightning damage. During this period a manual logging system was maintained by the Road Department. Upon reviewing these logs, we found that odometer readings were not recorded along with the gallons pumped for individual vehicles. Without such recording it is not possible to verify that the quantities pumped were of reasonable and appropriate for individual vehicles. If such a logging system is required to be used in the future, we recommend that odometer readings be recorded along with the gallonage for each vehicle. Periodically, miles per gallon should be computed and any out-of-range amounts investigated.

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

Petty Cash Reimbursement – From our review of petty cash reimbursements relating to the Tourist Development Department, we found an instance where personal purchases of \$48.28 were reimbursed by the County. Upon notification, this amount was repaid by the concerned employee. Upon further

review, we found no other apparent similar instances. To deter such occurrences in the future, we recommend that a policy be implemented to prohibit reimbursements where the related documentation contains both personal and business expenditures. Reimbursement requests should also be reviewed and approved by a supervisor prior to being submitted for reimbursement.

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, 2007. The financial statements of the Board of County Commissioners are combined with other County agencies in that report.

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

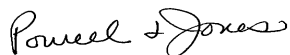
Financial Emergency Status – Nothing came to our attention that caused us to believe that the Board had met any of the conditions in Sections 218.503(1) (a), Florida Statutes, that might result in a financial emergency.

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

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

CONCLUSION

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



POWELL & JONES
Certified Public Accountants
June 27, 2008

CLERK OF THE CIRCUIT COURT

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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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), as of and for the year ended September 30, 2007, 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.

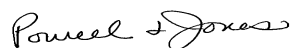
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and 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, 2007, and the results of its operations and budgetary comparisons 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 28, 2008, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing 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 28, 2008

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

COMBINED BALANCE SHEET - ALL FUND TYPES

September 30, 2007

	<u>Governmental Fund Types</u>		<u>Fiduciary</u>	<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
		<u>Special Revenue</u>	<u>Fund Types</u>	
	<u>General Fund</u>	<u>Funds</u>	<u>Agency Funds</u>	
ASSETS				
Current assets				
Cash	\$ 7,151	\$ 198,227	\$ 1,769,952	\$ 1,975,330
Accounts receivable	-	-	14,479	14,479
Due from other funds	262,457	11,545	-	274,002
Due from other governmental units	5,741	-	-	5,741
Total assets	<u>\$ 275,349</u>	<u>\$ 209,772</u>	<u>\$ 1,784,431</u>	<u>\$ 2,269,552</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 6,063	\$ 32,760	\$ -	\$ 38,823
Accrued payroll liabilities	8,812	-	-	8,812
Due to other funds	-	47,270	226,732	274,002
Due to Board of County Commissioners	67,897	-	51,606	119,503
Due to other governmental units	192,577	-	358,919	551,496
Interest payable	-	-	16,974	16,974
Deposits held in trust	-	-	195,193	195,193
Installment payments payable	-	-	7,318	7,318
Court liability fees payable	-	-	649,705	649,705
Juvenile installments	-	-	2,339	2,339
Bond liability	-	-	171,946	171,946
Tax deed sales	-	-	99,043	99,043
Other current liabilities	-	-	4,656	4,656
Total liabilities	<u>275,349</u>	<u>80,030</u>	<u>1,784,431</u>	<u>2,139,810</u>
FUND BALANCES				
Unreserved	-	129,742	-	129,742
Total liabilities and fund balances	<u>\$ 275,349</u>	<u>\$ 209,772</u>	<u>\$ 1,784,431</u>	<u>\$ 2,269,552</u>

See notes to 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, 2007

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals (Memorandum Only)</u>
REVENUES			
Intergovernmental	\$ 69,955	\$ -	\$ 69,955
Charges for services	2,473,343	213,945	2,687,288
Total revenues	<u>2,543,298</u>	<u>213,945</u>	<u>2,757,243</u>
EXPENDITURES			
Current expenditures			
General government	881,233	48,460	929,693
Court related	1,995,118	171,943	2,167,061
Capital outlay			
Court related	-	5,520	5,520
Total expenditures	<u>2,876,351</u>	<u>225,923</u>	<u>3,102,274</u>
Excess of revenues over (under) expenditures	<u>(333,053)</u>	<u>(11,978)</u>	<u>(345,031)</u>
OTHER FINANCING SOURCES (USES)			
Transfer from Board of County			
Commissioners	235,435	-	235,435
Interfund transfers in	47,270	-	47,270
Interfund transfers out	-	(47,270)	(47,270)
Total other financing sources (uses)	<u>282,705</u>	<u>(47,270)</u>	<u>235,435</u>
Net change in fund balance	-	(59,248)	(109,596)
Fund balance at beginning of year	-	188,990	188,990
Fund balance at end of year	<u>\$ -</u>	<u>\$ 129,742</u>	<u>\$ 79,394</u>

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
COMBINED STATEMENT OF REVENUES, EXPENDITURE AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS**

For the Fiscal Year Ended September 30, 2007

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ 70,000	\$ 69,955	\$ (45)	\$ -	\$ -	\$ -
Charges for services	2,451,422	2,473,343	21,921	213,945	213,945	-
Total revenues	2,521,422	2,543,298	21,876	213,945	213,945	-
EXPENDITURES						
Current expenditures						
General government	797,496	881,233	(83,737)	48,460	48,460	-
Court related	2,005,475	1,995,118	10,357	171,943	171,943	-
Capital outlay						
General government	5,968	-	5,968	-	-	-
Court related	15,815	-	15,815	5,520	5,520	-
Total expenditures	2,824,754	2,876,351	(51,597)	225,923	225,923	-
Excess of revenues over (under) expenditures	(303,332)	(333,053)	(29,721)	(11,978)	(11,978)	-
OTHER FINANCING SOURCES						
Transfers from the Board of County Commissioners	303,332	235,435	(67,897)	-	-	-
Interfund transfers in	-	47,270	47,270	-	-	-
Interfund transfers out	-	-	-	-	(47,270)	(47,270)
Total other financing sources (uses)	303,332	282,705	(20,627)	-	(47,270)	(47,270)
Net change in fund balances	-	-	-	(11,978)	(59,248)	47,270
Fund balances at beginning of year	-	-	-	188,990	188,990	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 177,012	\$ 129,742	\$ 47,270

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS

September 30, 2007

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, 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, 2007, the Clerk maintained the following Special Revenue Funds:

Public Records Modernization Trust Fund
Teen Court Fund

(ii) **Fiduciary Fund**

Agency Funds - Agency Funds are used to account for assets held by the Clerk 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 Clerk.

- Domestic Relations
- Jury and Witness
- Public Defender Occupancy Trust
- Registry of Court
- Trust
- Employee Sunshine 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 Clerk of the Circuit Court currently maintains his 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.

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 appropriations to the General Fund of the Clerk of the Circuit Court. The Clerk also initially prepares and appropriately amends internally the Clerk's General Fund budget.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriations budget of the Clerk of the Circuit Court.

E. **Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2007, the book balance of the Clerk's deposits was \$1,975,030. This bank balance was covered by federal depository insurance and pledged collateral held at various qualified public depositories. Chapter 280, Florida Statutes, defines the eligible collateral for these qualified public depositories.

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

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

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

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

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

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

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

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

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, 2007 were as follows: Regular Employees 9.85%; Senior Management 13.12%; Elected Officials 16.53%, and employees electing the DROP Program 10.91%. 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, 2007, 2006 and 2005 were \$173,477, \$137,312, and \$113,001, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2007, were:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 262,457	\$ -
Public Defender Occupancy Trust	-	357
Public Records Modernization Trust	10,959	47,270
Registry of Court	-	17
Teen Court	586	-
Trust	-	225,662
Domestic Relations Trust	-	696
	<u>\$ 274,002</u>	<u>\$ 274,002</u>

NOTE 5. COMMITMENTS

On September 28, 2007, the Clerk entered into an agreement with Serenic Navigator for software improvements. The total cost of the agreement is \$44,412, with the balance of \$20,501 still outstanding at September 30, 2007.

Also, on September 27, 2007, the Clerk entered into an agreement with FACC for court software. The total cost of the agreement is \$147,585, with the balance of \$132,826 still outstanding at September 30, 2007.

NOTE 6. RELATED PARTY TRANSACTIONS

The Clerk's office utilizes a collection service in which the spouse of the Clerk has an equity interest. The terms of the Office's agreement with the company are similar to those of other area Clerk's Offices. The company's compensation is based upon a percent of amount of delinquent accounts collected and is paid by delinquent account holders. The Clerk's Office makes no payments to the collection service. Compensation totaled approximately \$70,363 for the year ended September 30, 2007 from a total of \$175,980 in delinquent collections.

COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
GENERAL FUND**

**BALANCE SHEET
September 30, 2007**

ASSETS

Current Assets

Cash	\$	7,151
Due from other funds		262,457
Due from other governmental units		5,741
Total assets	\$	275,349

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities

Accounts payable	\$	6,063
Accrued payroll liabilities		8,812
Due to Board of County Commissioners		67,897
Due to other governmental units		192,577
Total liabilities		275,349

FUND BALANCE

Unreserved		-
Total liabilities and fund balance	\$	275,349

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, 2007**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
Federal grants				
IV - D grant	\$ 70,000	\$ 70,000	\$ 69,955	\$ (45)
Charges for services				
General government				
Noncourt related charges				
Recording	225,000	225,000	293,624	68,624
Documentary stamp commissions	37,000	37,000	37,150	150
Marriage licenses fees and charges	22,700	22,700	24,167	1,467
Passports	25,000	25,000	47,820	22,820
Copies	50,000	50,000	50,185	185
Other charges	24,960	24,960	25,274	314
Court related charges				
County court criminal	342,585	342,585	283,430	(59,155)
Circuit court criminal	147,580	147,580	149,110	1,530
County court civil	237,015	237,015	277,249	40,234
Circuit court civil	266,160	266,160	257,200	(8,960)
Traffic	971,350	971,350	958,002	(13,348)
Probate	56,600	56,600	61,571	4,971
Miscellaneous				
Interest	45,472	45,472	58,909	13,437
Total revenues	2,521,422	2,521,422	2,593,646	72,224
EXPENDITURES				
Board of County Commissioners				
Personal services	301,532	301,532	317,163	(15,631)
Operating expenses	1,800	1,800	1,213	587
Total Board of County Commissioners	303,332	303,332	318,376	(15,044)
Other general government				
Personal services	390,004	390,004	387,246	2,758
Operating expenses	41,677	41,677	104,828	(63,151)
Total other general government	431,681	431,681	492,074	(60,393)
Clerk administration				
Personal services	465,136	465,136	424,190	40,946
Operating expenses	32,439	32,439	17,469	14,970
Total Clerk administration	497,575	497,575	441,659	55,916
Court-related payments to State				
Budgeted payments	462,182	462,182	462,182	-
Excess fees	-	-	8,812	(8,812)
Total court-related payments to State	462,182	462,182	470,994	(8,812)

(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, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Jury Management				
Personal services	\$ 22,684	\$ 22,684	\$ 24,504	\$ (1,820)
Operating expenses	<u>1,474</u>	<u>1,474</u>	<u>496</u>	<u>978</u>
Total jury management	<u>24,158</u>	<u>24,158</u>	<u>25,000</u>	<u>(842)</u>
Circuit Criminal				
Personal services	194,066	194,066	210,415	(16,349)
Operating expenses	<u>22,117</u>	<u>22,117</u>	<u>11,972</u>	<u>10,145</u>
Total circuit criminal	<u>216,183</u>	<u>216,183</u>	<u>222,387</u>	<u>(6,204)</u>
Circuit Civil				
Personal services	77,359	77,359	82,769	(5,410)
Operating expenses	<u>7,372</u>	<u>7,372</u>	<u>2,764</u>	<u>4,608</u>
Total circuit civil	<u>84,731</u>	<u>84,731</u>	<u>85,533</u>	<u>(802)</u>
Circuit Family				
Personal services	116,818	116,818	169,161	(52,343)
Operating expenses	<u>25,066</u>	<u>25,066</u>	<u>14,265</u>	<u>10,801</u>
Total circuit family	<u>141,884</u>	<u>141,884</u>	<u>183,426</u>	<u>(41,542)</u>
Circuit Juvenile				
Personal services	63,571	63,571	71,304	(7,733)
Operating expenses	<u>7,372</u>	<u>7,372</u>	<u>2,625</u>	<u>4,747</u>
Total circuit juvenile	<u>70,943</u>	<u>70,943</u>	<u>73,929</u>	<u>(2,986)</u>
Circuit Probate				
Personal services	42,866	42,866	48,893	(6,027)
Operating expenses	<u>4,423</u>	<u>4,423</u>	<u>1,427</u>	<u>2,996</u>
Total circuit probate	<u>47,289</u>	<u>47,289</u>	<u>50,320</u>	<u>(3,031)</u>
Information Technology				
Personal services	61,161	61,161	66,579	(5,418)
Operating expenses	<u>7,290</u>	<u>7,290</u>	<u>4,204</u>	<u>3,086</u>
Total information technology	<u>68,451</u>	<u>68,451</u>	<u>70,783</u>	<u>(2,332)</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, 2007

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
County Criminal				
Personal services	\$ 185,222	\$ 185,222	\$ 170,534	\$ 14,688
Operating expenses	22,117	22,117	9,638	12,479
Total county criminal	<u>207,339</u>	<u>207,339</u>	<u>180,172</u>	<u>27,167</u>
County Civil				
Personal services	78,676	78,676	74,566	4,110
Operating expenses	7,372	7,372	2,435	4,937
Total county civil	<u>86,048</u>	<u>86,048</u>	<u>77,001</u>	<u>9,047</u>
County Traffic				
Personal services	165,265	165,265	173,956	(8,691)
Operating services	17,693	17,693	10,741	6,952
Total county traffic	<u>182,958</u>	<u>182,958</u>	<u>184,697</u>	<u>(1,739)</u>
Total expenditures	<u>2,824,754</u>	<u>2,824,754</u>	<u>2,876,351</u>	<u>(51,597)</u>
Excess of revenues over (under) expenditures	<u>(303,332)</u>	<u>(303,332)</u>	<u>(282,705)</u>	<u>20,627</u>
Other financing sources				
Transfers from Board of County Commissioners	303,332	303,332	235,435	(67,897)
Interfund transfers in	-	-	47,270	47,270
Total other financing sources	<u>303,332</u>	<u>303,332</u>	<u>282,705</u>	<u>(20,627)</u>
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPECIAL REVENUE FUNDS

COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

September 30, 2007

	Public Records Modernization Trust	Teen Court	Totals
	<u>Trust</u>	<u>Teen Court</u>	<u>Totals</u>
ASSETS			
Cash	\$ 197,563	\$ 664	\$ 198,227
Due from other funds	10,959	586	11,545
Total assts	<u>\$ 208,522</u>	<u>\$ 1,250</u>	<u>\$ 209,772</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 32,218	\$ 542	\$ 32,760
Due to other funds	47,270	-	47,270
Total liabilities	<u>79,488</u>	<u>542</u>	<u>80,030</u>
FUND BALANCES			
Unreserved	<u>129,034</u>	<u>708</u>	<u>129,742</u>
Total liabilities and fund balances	<u>\$ 208,522</u>	<u>\$ 1,250</u>	<u>\$ 209,772</u>

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
SPECIAL REVENUE FUNDS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2007

	Public Records Modernization		
	<u>Trust</u>	<u>Teen Court</u>	<u>Totals</u>
REVENUES			
Charges for services			
General government			
Recording of legal instruments	\$ 172,483	\$ -	\$ 172,483
Court related	-	41,462	41,462
Total revenues	<u>172,483</u>	<u>41,462</u>	<u>213,945</u>
EXPENDITURES			
General Government			
Financial and administrative			
Operating expenses	48,460	-	48,460
Total general government	<u>48,460</u>	<u>-</u>	<u>48,460</u>
Court related			
Judicial			
Operating expenses	131,076	40,867	171,943
Capital outlay	5,520	-	5,520
Total court related	<u>136,596</u>	<u>40,867</u>	<u>177,463</u>
Total expenditures	<u>185,056</u>	<u>40,867</u>	<u>225,923</u>
Excess of revenues over (under) expenditures	(12,573)	595	(11,978)
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	(47,270)	-	(47,270)
Net change in fund balances	(59,843)	595	(59,248)
Fund balances at beginning of year	188,877	113	188,990
Fund balances at end of year	<u>\$ 129,034</u>	<u>\$ 708</u>	<u>\$ 129,742</u>

See notes to financial statements.

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

**CLERK OF THE CIRCUIT COURT
AGENCY FUNDS**

COMBINING BALANCE SHEET

September 30, 2007

	<u>Clerk Trust</u>	<u>Employee Sunshine</u>	<u>Domestic Relations</u>	<u>Jury and Witness</u>	<u>Public Defender Occupancy Trust</u>	<u>Registry of the Court</u>	<u>Totals</u>
ASSETS							
Cash	\$ 1,645,162	\$ 1,140	\$ 4,756	\$ 5,161	\$ 33,381	\$ 80,352	\$ 1,769,952
Dishonored checks receivable	14,479	-	-	-	-	-	14,479
Total assets	<u>\$ 1,659,641</u>	<u>\$ 1,140</u>	<u>\$ 4,756</u>	<u>\$ 5,161</u>	<u>\$ 33,381</u>	<u>\$ 80,352</u>	<u>\$ 1,784,431</u>
LIABILITIES							
Due to other funds	\$ 225,662	\$ -	\$ 696	\$ -	\$ 357	\$ 17	\$ 226,732
Due to Board of County Commissioners	51,606	-	-	-	-	-	51,606
Due to other governmental units	319,174	-	1,560	5,161	33,024	-	358,919
Interest payable	-	-	-	-	-	16,974	16,974
Deposits held in trust	131,832	-	-	-	-	63,361	195,193
Installment payable	7,318	-	-	-	-	-	7,318
Court fees payable	649,705	-	-	-	-	-	649,705
Juvenile installments	2,339	-	-	-	-	-	2,339
Bond liability	171,946	-	-	-	-	-	171,946
Tax deeds	99,043	-	-	-	-	-	99,043
Other current liabilities	1,016	1,140	2,500	-	-	-	4,656
Total liabilities	<u>\$ 1,659,641</u>	<u>\$ 1,140</u>	<u>\$ 4,756</u>	<u>\$ 5,161</u>	<u>\$ 33,381</u>	<u>\$ 80,352</u>	<u>\$ 1,784,431</u>

**COLUMBIA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2007**

	Balance October 1 2006	Additions	Deductions	Balance September 30, 2007
DOMESTIC RELATIONS FUND				
Assets				
Cash	\$ 2,574	\$ 33,188	\$ 31,006	\$ 4,756
Total assets	\$ 2,574	\$ 33,188	\$ 31,006	\$ 4,756
Liabilities				
Due to other funds	\$ 694	\$ 9,140	\$ 9,138	\$ 696
Due to other governmental units	1,880	24,048	21,868	4,060
Total liabilities	\$ 2,574	\$ 33,188	\$ 31,006	\$ 4,756
JURY AND WITNESS FUND				
Assets				
Cash	\$ 3,605	\$ 32,460	\$ 30,904	\$ 5,161
Liabilities				
Due to other governmental units	\$ 3,605	\$ 32,460	\$ 30,904	\$ 5,161
PUBLIC DEFENDER OCCUPANCY TRUST FUND				
Assets				
Cash	\$ 36,324	\$ 76,921	\$ 79,864	\$ 33,381
Liabilities				
Due to other funds	\$ 388	\$ 357	\$ 388	\$ 357
Due to Public Defender	35,936	76,564	79,476	33,024
Total liabilities	\$ 36,324	\$ 76,921	\$ 79,864	\$ 33,381
REGISTRY OF COURT FUND				
Assets				
Cash	\$ 53,419	\$ 1,076,083	\$ 1,049,150	\$ 80,352
Liabilities				
Due to other funds	\$ 6	\$ 17	\$ 6	\$ 17
Interest payable	16,853	155	34	16,974
Deposits held in escrow	36,560	1,075,911	1,049,110	63,361
Total liabilities	\$ 53,419	\$ 1,076,083	\$ 1,049,150	\$ 80,352

(Continued)

**COLUMBIA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2007**

	Balance October 1 2006	Additions	Deductions	Balance September 30, 2007
TRUST FUND				
Assets				
Cash	\$ 1,509,753	\$ 11,450,089	\$ 11,314,679	\$ 1,645,163
Dishonored checks receivable	18,032	13,156	16,710	14,478
Total assets	\$ 1,527,785	\$ 11,463,245	\$ 11,331,389	\$ 1,659,641
Liabilities				
Due to other funds	\$ 230,418	\$ 2,901,260	\$ 2,906,016	\$ 225,662
Due to other governmental units	545,984	6,997,958	7,173,162	370,780
Installments payable	7,318	-	-	7,318
Deposits in suspense	117,562	36,029	21,759	131,832
Court liability fees payable	387,095	646,704	384,094	649,705
Juvenile installments	2,242	35,851	35,754	2,339
Bond liability	130,685	433,770	392,509	171,946
Tax deeds sales	101,928	204,242	207,127	99,043
Other current liabilities	4,553	59,889	63,426	1,016
Total liabilities	\$ 1,527,785	\$ 11,315,703	\$ 11,183,847	\$ 1,659,641
EMPLOYEE SUNSHINE FUND				
Assets				
Cash	\$ 597	\$ 2,900	\$ 2,357	\$ 1,140
Liabilities				
Other current liabilities	\$ 597	\$ 2,900	\$ 2,357	\$ 1,140
TOTALS - ALL FUNDS				
Assets				
Cash	\$ 1,606,272	\$ 12,671,641	\$ 12,507,960	\$ 1,769,953
Dishonored checks receivable	18,032	13,156	16,710	14,478
Total assets	\$ 1,624,304	\$ 12,684,797	\$ 12,524,670	\$ 1,784,431
Liabilities				
Due to other funds	\$ 231,506	\$ 2,910,774	\$ 2,915,548	\$ 226,732
Due to other governmental units	587,405	7,131,030	7,305,410	413,025
Interest payable	16,853	155	34	16,974
Deposits in suspense	117,562	36,029	21,759	131,832
Installments payable	7,318	-	-	7,318
Court fees payable	387,095	646,704	384,094	649,705
Deposits held in escrow	36,560	1,075,911	1,049,110	63,361
Juvenile installments	2,242	35,851	35,754	2,339
Bond liability	130,685	433,770	392,509	171,946
Tax deeds sales	101,928	204,242	207,127	99,043
Other current liabilities	5,150	62,789	65,783	2,156
Total liabilities	\$ 1,624,304	\$ 12,537,255	\$ 12,377,128	\$ 1,784,431

See notes to financial statements.

COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS 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, 2007, and have issued our report thereon dated July 28, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

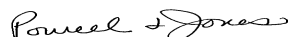
A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Columbia County Clerk of the Circuit Court's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Columbia County Clerk of the Circuit Court's financial statements that is more than inconsequential will not be prevented or detected by the Columbia County Clerk of the Circuit Court's internal control.

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

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

Compliance and Other Matters - As part of obtaining reasonable assurance about whether 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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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
Certified Public Accountants
July 28, 2008

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 (the Clerk), as of and for the year ended September 30, 2007, and have issued our report thereon dated June 30, 2006. 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

Travel – From our review of selected travel vouchers, we found that a per diem payment was accidentally miscalculated and the traveling employees were overpaid. To assure proper calculation of travel reimbursements, we recommend that all travel vouchers be carefully reviewed prior to being paid.

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, 2007. 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) (a), Florida Statutes, that might result in a financial emergency.

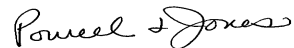
Financial Condition Assessment - As required by the Rules of the Auditor General (Sections 10.544(7)(c) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based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

Requirements of Section 28.35, Florida Statutes - For the fiscal year ended September 30, 2007, 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

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

CONCLUSION - We have reviewed information regarding our audit with the Clerk of the Circuit Court and have provided appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this year's audit of the Clerk of the Circuit Court. We appreciate the overall high quality of the financial records and personnel in the Clerk of the Circuit Court's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.



POWELL & JONES
Certified Public Accountants
July 28, 2008

PROPERTY APPRAISER

COLUMBIA COUNTY, FLORIDA

PROPERTY APPRAISER

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser
Columbia County, Florida

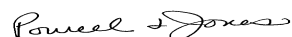
We have audited the accompanying special purpose financial statements of the Columbia County Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2007, as listed in the table of contents. These special purpose financial statements are the responsibility of the Property 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, 2007, and the results of its operations and budgetary comparisons 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 April 30, 2008, 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 other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



POWELL & JONES
April 30, 2008

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**PROPERTY APPRAISER
GENERAL FUND
BALANCE SHEET
September 30, 2007**

ASSETS

Current Assets	
Cash	\$ 29,249
Accounts receivable	766
Total assets	<u>\$ 30,015</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities	
Due to Board of County Commissioners	\$ 26,449
Due to other governmental units	3,566
Total liabilities and fund balance	<u>\$ 30,015</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

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

For the Fiscal Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charges for services			
General government			
County officer fees			
Columbia County Industrial Development Authority	\$ 7,974	\$ 7,769	\$ (205)
Lake Shore Hospital Authority	102,202	99,578	(2,624)
Suwannee River Water Management District	<u>28,698</u>	<u>27,961</u>	<u>(737)</u>
Total charges for services	<u>138,874</u>	<u>135,308</u>	<u>(3,566)</u>
 Miscellaneous			
Interest earnings	-	3,566	3,566
Other miscellaneous	<u>-</u>	<u>916</u>	<u>916</u>
Total miscellaneous	<u>-</u>	<u>4,482</u>	<u>4,482</u>
Total revenues	<u>138,874</u>	<u>139,790</u>	<u>916</u>
 EXPENDITURES			
General government			
Financial and administrative			
Personal services	1,007,123	995,586	11,537
Operating expenses	<u>162,103</u>	<u>148,107</u>	<u>13,996</u>
Total expenditures	<u>1,169,226</u>	<u>1,143,693</u>	<u>25,533</u>
 Excess of revenues over (under) expenditures	 (1,030,352)	 (1,003,903)	 26,449
 OTHER FINANCING SOURCES			
Transfers from Board of County Commissioners	 <u>1,030,352</u>	 <u>1,003,903</u>	 <u>(26,449)</u>
 Net change in fund balance	 -	 -	 -
 Fund balance beginning of year	 -	 -	 -
Fund balance end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See note to financial statements.

COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
September 30, 2007

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.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Property Appraiser, which was amended during the year.

E. **Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2007, the book balance of the Property Appraiser's deposits was \$29,249. The total bank balance was covered by federal depository insurance.

F. **Inventories** - It is the policy of the Property Appraiser to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. **Fixed Assets** - Fixed assets used in the Supervisor of Elections' operations are accounted for in the Board of County Commissioner's general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation on equipment is provided on the straight-line basis over useful lives of three to twelve years.

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 accounts of the Board of County Commissioners.

I. **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.

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

NOTE 3. PENSION PLAN

Plan Description - The Property Appraiser contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to

retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee noncontributory. The Property Appraiser is required to contribute at an actuarially determined rate. The rates at September 30, 2007 were as follows: Regular Employees 9.85%; Senior Management 13.12%; Elected Officials 16.53%. 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, 2007, 2006 and 2005 were \$87,744, \$70,786, and \$59,182, respectively equal to the required contributions for each year.

NOTE 4. OPERATING LEASE

The Property Appraiser has an operating lease agreement with Canon Financial Services, Inc. for a microfilm reader. The agreement is being paid in sixty monthly installments of \$470. Future minimum non-cancelable lease payments are as follows:

Year Ending September 30	
2008	5,644
2009	3,763
	<u>\$ 9,407</u>

COMPLIANCE SECTION

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

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, 2007, and have issued our report thereon dated April 30, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

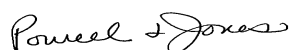
A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Columbia County Property Appraiser's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Columbia County Property Appraiser's financial statements that is more than inconsequential will not be prevented or detected by the Columbia County Property Appraiser's internal control.

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

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

Compliance and Other Matters - As part of obtaining reasonable assurance about whether 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 and other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Property Appraiser of Columbia County, and 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
April 30, 2008

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, 2007, and have issued our report thereon dated April 30, 2008. 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 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, 2007. 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)(a), Florida Statutes, that might result in a financial emergency.

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

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

CONCLUSION - We have reviewed information regarding our audit with the Property Appraiser and have provided appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this year's examination of the County. We appreciate the helpful assistance of all County employees in completing this year's audit.

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

POWELL & JONES
Certified Public Accountants
April 30, 2008

SHERIFF

COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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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, 2007, 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.

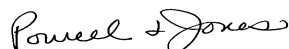
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and 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, 2007, and the results of its operations and budgetary comparisons 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 3, 2008, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing 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
July 3, 2008

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**SHERIFF
COMBINED BALANCE SHEET
ALL FUND TYPES
September 30, 2007**

	<u>Governmental Funds</u>		<u>Fiduciary Fund Types</u>	<u>Totals (Memorandum Only)</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Agency Funds</u>	
ASSETS				
Current assets				
Cash	\$ 350,975	\$ 742,549	\$ 212,983	\$ 1,306,507
Accounts receivable	85,610	-	8,290	93,900
Due from other governmental units	73,011	2,213	-	75,224
Total assets	<u>\$ 509,596</u>	<u>\$ 744,762</u>	<u>\$ 221,273</u>	<u>\$ 1,475,631</u>
 LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 466,551	\$ -	\$ 2,592	\$ 469,143
Accrued liabilities	-	345	-	345
Due to Board of County Commissioners	36,355	-	7,309	43,664
Deferred revenue	6,690	-	-	6,690
Other current liabilities	-	-	211,372	211,372
Total current liabilities	<u>509,596</u>	<u>345</u>	<u>221,273</u>	<u>731,214</u>
 FUND BALANCES				
Fund balance undesignated	-	744,417	-	744,417
Total liabilities and fund balances	<u>\$ 509,596</u>	<u>\$ 744,762</u>	<u>\$ 221,273</u>	<u>\$ 1,475,631</u>

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, 2007

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals (Memorandum Only)</u>
REVENUES			
Intergovernmental	\$ 127,566	\$ -	\$ 127,566
Charges for services	238,923	171,892	410,815
Fines and forfeitures	-	734,275	734,275
Miscellaneous	3,350	123,459	126,809
Total revenue	<u>369,839</u>	<u>1,029,626</u>	<u>1,399,465</u>
EXPENDITURES			
Current expenditures			
Public safety	12,315,030	535,723	12,850,753
Capital outlay			
Public safety	537,366	174,359	711,725
Debt service	89,377	-	89,377
Total expenditures	<u>12,941,773</u>	<u>710,082</u>	<u>13,651,855</u>
Excess of revenues over (under) expenditures	<u>(12,571,934)</u>	<u>319,544</u>	<u>(12,252,390)</u>
Other Financing Sources			
Transfers from Board of County Commissioners	12,571,934	95,073	12,667,007
Total other financing sources	<u>12,571,934</u>	<u>95,073</u>	<u>12,667,007</u>
Net change in fund balances	-	414,617	414,617
Fund balances at beginning of year	<u>-</u>	<u>329,800</u>	<u>329,800</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 744,417</u>	<u>\$ 744,417</u>

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, 2007**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ 93,581	\$ 127,566	\$ 33,985	\$ -	\$ -	\$ -
Charges for services	-	238,923	238,923	171,892	171,892	-
Fines and forfeitures	-	-	-	734,275	734,275	-
Miscellaneous	-	3,350	3,350	123,459	123,459	-
Total revenue	93,581	369,839	276,258	1,029,626	1,029,626	-
EXPENDITURES						
Current expenditures						
Public safety	12,047,356	12,315,030	(267,674)	535,723	535,723	-
Capital outlay						
Public safety	635,230	537,366	97,864	174,359	174,359	-
Debt service	-	89,377	(89,377)	-	-	-
Total expenditures	12,682,586	12,941,773	(259,187)	710,082	710,082	-
Excess of revenues over (under) expenditures	(12,589,005)	(12,571,934)	17,071	319,544	319,544	-
Other Financing Sources						
Transfers from Board of County Commissioners	12,589,005	12,571,934	(17,071)	95,073	95,073	-
Total other financing sources	12,589,005	12,571,934	(17,071)	95,073	95,073	-
Net change in fund balances	-	-	-	414,617	414,617	-
Fund balances at beginning of year	-	-	-	329,800	329,800	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 744,417	\$ 744,417	\$ -

COLUMBIA COUNTY, FLORIDA

SHERIFF

NOTES TO FINANCIAL STATEMENTS

September 30, 2007

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, 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. 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. The funds and account group utilized by the Sheriff are as follows:

(i) **Governmental Funds**

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, 2007, 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:

Bond and Fine
Inmate Trust

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 Sheriff currently maintains his 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.

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.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Sheriff.

E. **Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash."

At September 30, 2007, the book balance of the Sheriff's deposits was \$1,306,507. These balances were covered by federal depository insurance and collateral held at various qualified public depositories. Chapter 280, Florida Statutes, defines the eligible collateral for these qualified public depositories.

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

Bank Deposit Covered by	Category			Bank Balance
	1	2	3	
Eligible collateral	\$ 1,106,507	\$ -	\$ -	\$ 1,106,507
FDIC Insurance	200,000	-	-	200,000
Total deposits	<u>\$ 1,306,507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,306,507</u>

F. **Inventories** - It is the policy of the Sheriff to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. **Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated.

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 accounts 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 2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 10/01/06	Prior Period Adjustment	Additions	Deletions	Balance 09/30/07
Equipment	\$ 4,498,822	\$ 44,487	\$ 711,725	\$ (735,174)	\$ 4,519,860

NOTE 3. 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, 2007 were as follows: Regular Employees 9.85%; Special Risk Employees 20.92%; Senior Management 13.12%; Elected Officials 16.53%, employees electing the DROP program 10.91%. 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, 2007, 2006 and 2005 were \$1,173,160, \$1,017,930, and \$967,629, respectively, equal to the required contributions for each year.

NOTE 4. CONTINGENT LIABILITIES

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

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.

NOTE 5. RISK MANAGEMENT

The Sheriff participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the Sheriff 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 Sheriff 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 Sheriff.

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 Sheriff.

NOTE 6. DEFERRED REVENUE

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

NOTE 7. LONG-TERM DEBT

In March, 2006, the Sheriff entered into an agreement with Computer Information Systems, Inc., to purchase hardware and server software in the amount of \$268,130. This agreement called for three payments of \$89,377. This equipment and software was for a computer information system that accommodates operating, jail, Courthouse, and dispatching. This debt was paid off in the current year.

NOTE 8. PRIOR PERIOD ADJUSTMENT

There is a \$44,487 prior period adjustment to the general fixed assets in the current year. This adjustment was made after a comprehensive inventory of fixed assets conducted at September 30, 2007.

NOTE 9. OPERATING LEASES

The Sheriff has several operating lease agreements for property and equipment with noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled \$32,654. The future minimum payments under these leases at September 30, 2007, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2008	\$ 40,387
2009	29,009
2010	21,608
2011	15,725
2012	2,068
	<u>\$ 108,797</u>

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

GENERAL FUND

BALANCE SHEET

September 30, 2007

ASSETS

Current assets	
Cash	\$ 350,975
Accounts receivable	85,610
Due from other governmental units	<u>73,011</u>
Total assets	<u>\$ 509,596</u>

LIABILITIES

Liabilities	
Accounts payable	\$ 466,551
Revenues collected in advance	6,690
Due to Board of County Commissioners	<u>36,355</u>
Total liabilities	<u>\$ 509,596</u>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
Federal grants				
E. Byrne Memorial	\$ -	\$ 35,172	\$ 38,101	\$ 2,929
STOP	-	58,409	72,321	13,912
Bullet proof vest	-	-	17,144	17,144
Charges for Services				
Public safety				
Police services	-	-	238,923	238,923
Miscellaneous				
Other	-	-	3,350	3,350
Total revenue	-	93,581	369,839	276,258
Expenditures				
Administration				
Personal services	932,899	929,039	859,572	69,467
Operating expenses	124,594	152,102	92,199	59,903
Capital outlay	-	45,867	26,272	19,595
Debt service	-	-	89,377	(89,377)
Total administration	1,057,493	1,127,008	1,067,420	59,588
Road Patrol				
Personal services	2,011,181	2,020,333	2,061,349	(41,016)
Operating expenses	540,132	545,643	654,976	(109,333)
Capital outlay	125,000	530,396	466,020	64,376
Total road patrol	2,676,313	3,096,372	3,182,345	(85,973)
Detective				
Personal services	685,786	696,950	747,725	(50,775)
Operating expenses	164,755	171,966	164,852	7,114
Total Detective	850,541	868,916	912,577	(43,661)
Courts Judicial				
Personal services	972,621	1,067,822	934,950	132,872
Operating expenses	180,666	180,166	191,212	(11,046)
Capital outlay	-	18,505	10,211	8,294
Total court judicial	1,153,287	1,266,493	1,136,373	130,120

(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, 2007

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Records Evidence				
Personal services	\$ 161,667	\$ 161,667	\$ 150,701	\$ 10,966
Operating expenses	30,633	36,144	35,100	1,044
Capital outlay	-	987	987	-
Total records evidence	192,300	198,798	186,788	12,010
Communications				
Personal services	717,149	746,380	753,419	(7,039)
Operating expenses	205,488	182,275	122,592	59,683
Capital outlay	-	5,301	5,301	-
Total communications	922,637	933,956	881,312	52,644
Corrections				
Personal services	2,795,164	2,795,164	2,719,216	75,948
Operating expenses	1,164,355	1,170,742	1,378,874	(208,132)
Capital outlay	30,000	34,174	27,583	6,591
Total corrections	3,989,519	4,000,080	4,125,673	(125,593)
Sheriff Task Force				
Personal services	407,526	414,864	401,974	12,890
Operating expenses	75,123	75,123	120,500	(45,377)
Total Sheriff Task Force	482,649	489,987	522,474	(32,487)
Community Affairs				
Personal services	470,630	470,631	601,156	(130,525)
Operating expenses	114,121	112,921	78,189	34,732
Total community affairs	584,751	583,552	679,345	(95,793)
Bullet Proof Vest				
Operating expenses	-	-	21,246	(21,246)
STOP				
Personal services	48,466	90,014	88,027	1,987
Operating expenses	-	5,427	6,287	(860)
Capital outlay	-	-	992	(992)
Total Stop	48,466	95,441	95,306	135
E. Byrne Memorial Grant				
Personal services	-	21,983	35,172	(13,189)
Operation Snow Wash				
Personal services	-	-	95,742	(95,742)
Total Operation Snow Wash	-	-	95,742	(95,742)
Total expenditures	11,957,956	12,682,586	12,941,773	(259,187)

(Continued) See notes to financial statements.

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, 2007

	<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	\$ (11,957,956)	\$ (12,589,005)	\$ (12,571,934)	\$ (17,071)
Other financing sources				
Transfers from the Board of County Commissioners	<u>11,957,956</u>	<u>12,589,005</u>	<u>12,571,934</u>	<u>17,071</u>
Total other financing sources	<u>11,957,956</u>	<u>12,589,005</u>	<u>12,571,934</u>	<u>17,071</u>
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS

SPECIAL REVENUE FUNDS

COLUMBIA COUNTY, FLORIDA

SHERIFF

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2007**

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Nongrant</u>	<u>Work Program</u>	<u>Totals</u>
ASSETS						
Current Assets						
Cash	\$ 18,757	\$ 2,917	\$ 50,256	\$ 648,724	\$ 21,895	\$ 742,549
Due from other governmental units	2,213	-	-	-	-	2,213
Total current assets	<u><u>\$ 20,970</u></u>	<u><u>\$ 2,917</u></u>	<u><u>\$ 50,256</u></u>	<u><u>\$ 648,724</u></u>	<u><u>\$ 21,895</u></u>	<u><u>\$ 744,762</u></u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accrued payroll deductions	\$ -	\$ -	\$ 345	\$ -	\$ -	\$ 345
Total liabilities	-	-	345	-	-	345
FUND BALANCES						
Total liabilities and fund balances	<u><u>20,970</u></u>	<u><u>2,917</u></u>	<u><u>49,911</u></u>	<u><u>648,724</u></u>	<u><u>21,895</u></u>	<u><u>744,417</u></u>
	<u><u>\$ 20,970</u></u>	<u><u>\$ 2,917</u></u>	<u><u>\$ 50,256</u></u>	<u><u>\$ 648,724</u></u>	<u><u>\$ 21,895</u></u>	<u><u>\$ 744,762</u></u>

COLUMBIA COUNTY, FLORIDA

SHERIFF

**SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Nongrant</u>	<u>Work Program</u>	<u>Totals</u>
REVENUES						
Charges for services						
Public Safety						
Other public safety charges	\$ -	\$ -	\$ 150,000	\$ -	\$ 21,892	\$ 171,892
Fines and forfeitures						
Court cases						
Confiscated property and restitution	-	803	-	703,613	-	704,416
Law enforcement education	29,859	-	-	-	-	29,859
Total fines and forfeitures	29,859	803	-	703,613	-	734,275
Miscellaneous						
Interest	610	28	435	17,387	196	18,656
Other miscellaneous						
Commissions	-	-	98,885	-	-	98,885
Other	4,561	-	65	1,175	115	5,916
Total miscellaneous	5,171	28	99,385	18,562	311	123,457
Total revenues	35,030	831	249,385	722,175	22,203	1,029,624
EXPENDITURES						
Public Safety						
Law enforcement						
Operating expenses	30,049	-	-	261,188	-	291,237
Capital outlay	-	-	-	125,306	-	125,306
Total law enforcement	30,049	-	-	386,494	-	416,543
Detention and correction						
Personal services	-	-	16,712	-	-	16,712
Operating expenses	-	-	216,382	-	11,390	227,772
Capital outlay	-	-	20,945	-	28,108	49,053
Total detention and correction	-	-	254,039	-	39,498	293,537
Total expenditures	30,049	-	254,039	386,494	39,498	710,080

(Continued)

COLUMBIA COUNTY, FLORIDA

SHERIFF

**SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2007**

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Nongrant</u>	<u>Work Program</u>	<u>Totals</u>
Excess of revenues over (under) expenditures	\$ 4,981	\$ 831	\$ (4,654)	\$ 335,681	\$ (17,295)	\$ 319,544
OTHER FINANCING SOURCES						
Transfers from Board of County Commissioners	-	-	-	95,073	-	95,073
Net change in fund balances	4,981	831	(4,654)	430,754	(17,295)	414,617
Fund balances beginning of year	15,989	2,086	54,565	217,970	39,190	329,800
Fund balances end of year	<u>\$ 20,970</u>	<u>\$ 2,917</u>	<u>\$ 49,911</u>	<u>\$ 648,724</u>	<u>\$ 21,895</u>	<u>\$ 744,417</u>

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2007

	<u>Bond and Fine</u>	<u>Inmate Trust</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash	\$ 7,890	\$ 205,093	\$ 212,983
Accounts receivable	-	8,290	8,290
Total current assets	<u>\$ 7,890</u>	<u>\$ 213,383</u>	<u>\$ 221,273</u>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current liabilities			
Accounts payable	\$ -	\$ 2,592	\$ 2,592
Due to Board of County Commissioners	7,309	-	7,309
Other current liabilities	581	210,791	211,372
Total current liabilities	<u>7,890</u>	<u>213,383</u>	<u>221,273</u>
NET ASSETS	-	-	-
Total liabilities and net assets	<u>\$ 7,890</u>	<u>\$ 213,383</u>	<u>\$ 221,273</u>

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2007

	Balance Oct. 1, 2006	Additions	Deductions	Balance Sept. 30, 2007
INMATE TRUST FUND				
Assets				
Cash	\$ 196,605	\$ 392,243	\$ 383,754	\$ 205,094
Due from individuals	3,365	8,289	3,365	8,289
	<u>\$ 199,970</u>	<u>\$ 400,532</u>	<u>\$ 387,119</u>	<u>\$ 213,383</u>
Liabilities				
Due to individuals	\$ 2,429	\$ 2,592	\$ 2,429	\$ 2,592
Other current liabilities	197,541	16,773	3,523	210,791
Total liabilities	<u>\$ 199,970</u>	<u>\$ 19,365</u>	<u>\$ 5,952</u>	<u>\$ 213,383</u>
BOND AND FINE TRUST FUND				
Assets				
Cash	<u>\$ 10,325</u>	<u>\$ 106,234</u>	<u>\$ 108,669</u>	<u>\$ 7,890</u>
Liabilities				
Individual depositors liability	\$ 4,470	\$ 18,114	\$ 22,003	\$ 581
Due to other governmental units	5,855	88,119	86,665	7,309
Total liabilities	<u>\$ 10,325</u>	<u>\$ 106,233</u>	<u>\$ 108,668</u>	<u>\$ 7,890</u>
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ 206,930	\$ 498,477	\$ 492,423	\$ 212,984
Due from individuals	3,365	8,289	3,365	8,289
Total assets	<u>\$ 210,295</u>	<u>\$ 506,766</u>	<u>\$ 495,788</u>	<u>\$ 221,273</u>
Liabilities				
Individual depositors liability	\$ 4,470	\$ 18,114	\$ 22,003	\$ 581
Due to individuals	2,429	2,592	2,429	2,592
Due to other governmental units	5,855	88,119	86,665	7,309
Other current liabilities	197,541	16,773	3,523	210,791
Total liabilities	<u>\$ 210,295</u>	<u>\$ 125,598</u>	<u>\$ 114,620</u>	<u>\$ 221,273</u>

See notes to financial statements.

COMPLIANCE SECTION

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

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, 2007, and have issued our report thereon dated July 3, 2008. Our report included a paragraph stating that the Sheriff is an integral part of Columbia County, the primary government for financial reporting purposes. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Office's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Office's financial statements that is more than inconsequential will not be prevented or detected by the Office's internal control.

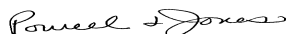
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Sheriff's internal control.

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

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 July 3, 2008 on pages 254 through 255.

Compliance and Other Matters - 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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance and other matters with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the Sheriff, the Board of County Commissioners, and the Auditor General of Florida. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



POWELL & JONES
Certified Public Accountants
July 3, 2008

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, 2007, and have issued our report thereon dated July 3, 2008. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

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

CURRENT YEAR FINDINGS

Cash Receipts – From our review of transaction processes and financial records relating to cash monies collected in the Sheriff's Office Administration Building, we found instances where cash receipts were not kept in sequential order and instances where cash deposits were not made in a prompt manner. To strengthen internal controls and the audit trail over these cash collections, we recommend that all receipts be kept in sequential order and deposited daily, if feasible, and always by the end of each work week.

Fuel Purchases – From our review of vehicle fuel purchases, we found various instances where the vehicle odometer readings were incorrectly recorded on the vendor automated billing system. For proper accountability, odometer readings should be correctly recorded for each vehicle fuel purchase and the resultant monthly usage reports should be examined and reconciled for any resulting out-of-range readings.

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

Counterfeit Check – From our review of expenditures in the Inmate Trust Fund, we noted an expense of \$3,870 and a corresponding bank fee of \$5 for a fraudulent check that was received on behalf of an inmate and credited to the inmate's account. Prior to this check actually clearing the bank, the inmate was released and a refund of the individual's trust account balance was made. It was later determined that the check was fraudulent and that the inmate was not entitled to the refund received. There was also an expense of \$80 for an inmate refund check that was fraudulently altered by an inmate upon release from a valid \$8 inmate refund check. In order to minimize the vulnerability of such occurrences

in the future, we recommend that the Sheriff adopt a policy of delaying inmate refunds until availability of their funds can be verified.

Subsequent to year end, the Sheriff implemented a kiosk system which is maintained by an outside vendor for the intake and deposit of inmate monies. Although this system reduces the risk of fraud, there is still a risk of refund checks being altered for an amount other than the issued amount as described in the second instance noted above.

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, 2007. The financial statements of the Sheriff are combined with other County agencies in that report.

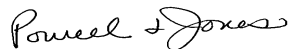
Investment of Public Funds - The Sheriff complied with Section 218.415, Florida Statutes, regarding the investment of public funds during the fiscal year.

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

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

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

CONCLUSION - We have reviewed information regarding our audit with the Sheriff and have provided appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this year's examination of the Sheriff's office. We appreciate the helpful assistance of all office employees in completing this year's audit.



POWELL & JONES
Certified Public Accountants
July 3, 2008

SUPERVISOR OF ELECTIONS

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

T A B L E O F C O N T E N T S

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INDEPENDENT AUDITOR'S REPORT

Honorable Supervisor of Elections
Columbia County, Florida

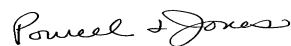
We have audited the accompanying special purpose financial statements of the Columbia County Supervisor of Elections (Supervisor of Elections), as of and for the year ended September 30, 2007, as listed in the table of contents. These special purpose financial statements are the responsibility of the 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, 2007, and the results of its operations and budgetary comparisons 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 April 3, 2008, 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



POWELL & JONES
April 3, 2008

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
GENERAL FUND
BALANCE SHEET
September 30, 2007**

ASSETS	
Current Assets	
Cash	\$ 13,802
Total assets	<u>\$ 13,802</u>
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Current Liabilities	
Due to Board of County Commissioners	\$ 1,021
Deferred revenue	<u>12,781</u>
Total liabilities	13,802
FUND BALANCE	<u>-</u>
Total liabilities and fund balance	<u>\$ 13,802</u>

See notes to financial statements.

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, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental			
Federal grants			
Voter education	\$ -	\$ 3,110	\$ 3,110
Pollworker training	-	1,682	1,682
Total intergovernmental	<u>-</u>	<u>4,792</u>	<u>4,792</u>
Miscellaneous			
Interest	-	44	44
Other	-	585	585
Total miscellaneous	<u>-</u>	<u>629</u>	<u>629</u>
Total revenues	<u>-</u>	<u>5,421</u>	<u>5,421</u>
EXPENDITURES			
General government			
Other general government			
Supervisor of Elections			
Personal services	288,379	318,117	(29,738)
Operating expenses	21,253	17,626	3,627
Total Supervisor of Elections	<u>309,632</u>	<u>335,743</u>	<u>(26,111)</u>
Elections			
Personal services	150,000	111,533	38,467
Operating expenses	99,000	120,159	(21,159)
Total elections	<u>249,000</u>	<u>231,692</u>	<u>17,308</u>
Total general government	<u>558,632</u>	<u>567,435</u>	<u>(8,803)</u>
Excess of revenues over (under) expenditures	<u>(558,632)</u>	<u>(562,014)</u>	<u>(3,382)</u>
OTHER FINANCING SOURCES			
Transfers in from Board of County Commissioners	558,632	562,014	3,382
Total other financing sources	558,632	562,014	3,382
Net change in fund balance	-	-	-
Fund balance beginning of year	-	-	-
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS

September 30, 2007

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, 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 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.

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

D. **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 Supervisor of Elections.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Supervisor of Elections.

E. **Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2007, the book balance of the Supervisor of Elections' deposits was \$13,802. The total balance was covered by federal depository insurance.

F. **Inventories** - It is the policy of the Supervisor of Elections to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. **Capital Assets** - Capital assets used in governmental fund type operations are accounted for in the Board of County Commissioners' general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Equipment of the Board is depreciated using the straight-line method over useful lives of three to twelve years.

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 accounts of the Board of County Commissioners.

I. **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.

J. **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 2. 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, 2007, were as follows: Regular Employees 9.85%; Senior Management 13.12%; Elected Officials 16.53%. 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, 2007, 2006 and 2005 were \$35,309, \$29,840, and \$22,735, respectively, equal to the required contributions for each year.

COMPLIANCE SECTION

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

Honorable Supervisor of Elections
Columbia County, Florida

We have audited the special purpose fund financial statements of the Columbia County Supervisor of Elections, as of and for the year ended September 30, 2007, and have issued our report thereon dated April 3, 2008. Our report included a paragraph stating that the Supervisor of Elections is an integral part of Columbia County, the primary government for financial reporting purposes. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Office's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Office's financial statements that is more than inconsequential will not be prevented or detected by the Office's internal control.

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

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

Compliance and Other Matters - As part of obtaining reasonable assurance about whether 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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance and other matters with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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



POWELL & JONES
Certified Public Accountants
April 3, 2008

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, 2007, and have issued our report thereon dated April 3, 2008. 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 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, 2007. 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)(a), Florida Statutes, that might result in a financial emergency.

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

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

CONCLUSION - We have reviewed information regarding our audit with the Supervisor of Elections and have provided appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this year's examination of the County. We appreciate the helpful assistance of all County employees in completing this year's audit.

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

POWELL & JONES
Certified Public Accountants
April 3, 2008

TAX COLLECTOR

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2007

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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, 2007, 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.

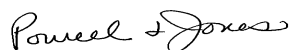
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and 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, 2007, and the results of its operations and budgetary comparisons 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 April 28, 2008, 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 other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the special purpose financial statements taken as a whole. The combining financial statements listed in the table of contents are 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
April 28, 2008

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**TAX COLLECTOR
GENERAL FUND
BALANCE SHEET
September 30, 2007**

ASSETS

Cash	\$	460,853
Accounts receivable		-
Due from other funds		19,976
Due from other governmental units		527
Total assets	\$	<u>481,356</u>

LIABILITIES

Accounts payable	\$	5,369
Accrued payroll deductions and matching		11,574
Due to Board of County Commissioners		423,380
Due to other governmental units		41,033
Total liabilities	\$	<u>481,356</u>

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, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charges for services			
County officer commissions and fees			
Professional and occupational licenses	\$ 14,014	\$ 14,015	\$ 1
Motor vehicles fees	388,573	388,573	-
Other licenses and permits	5,269	5,269	-
State commissions	1,560	1,560	-
County commissions	367,183	367,183	-
Tax commissions			
Columbia County Industrial Development Authority	4,542	4,542	-
Suwannee Water Management District	16,327	16,327	-
Lake Shore Hospital Authority	74,756	74,756	-
Delinquent tax commissions	163,656	163,656	-
Special assessment commissions	139,653	101,738	(37,915)
Special assessment administrative fees	77,853	77,853	-
Total charges for services	<u>1,253,386</u>	<u>1,215,472</u>	<u>(37,914)</u>
Miscellaneous revenue			
Interest earnings	19,773	21,026	1,253
Other miscellaneous	-	9,616	9,616
Total miscellaneous	<u>19,773</u>	<u>30,642</u>	<u>10,869</u>
Total revenues	<u>1,273,159</u>	<u>1,246,114</u>	<u>(27,045)</u>
EXPENDITURES			
General government			
Personal services	1,045,027	1,038,364	6,663
Operating expenses	222,076	201,694	20,382
Capital outlay	6,056	6,056	-
Total expenditures	<u>1,273,159</u>	<u>1,246,114</u>	<u>27,045</u>
Excess of revenues over (under) expenditures	-	-	-
Fund balance beginning of year	-	-	-
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

**TAX COLLECTOR
Fiduciary Funds
Statement of Net Assets**

September 30, 2007

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 1,837,602
Accounts receivable	1,343
Total assets	<u><u>\$ 1,838,945</u></u>
LIABILITIES	
Accounts payable	\$ 1,912
Due to individuals	162,146
Due to other funds	19,976
Due to Board of County Commissioners	686,821
Due to other governmental units	728,605
Interest payable	161,135
Occupational licenses	63,324
Escrow funds payable	13,930
Other current liabilities	1,096
Total liabilities	<u><u>\$ 1,838,945</u></u>

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

NOTES TO FINANCIAL STATEMENTS

September 30, 2007

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

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 Tax Collector currently maintains his 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.

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 its funding of the operations of the Tax Collector. The operating budget of the Tax Collector is approved by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Tax Collector.

E. **Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash" and "Investments." At September 30, 2007, the book balance of the Tax Collector's deposits was \$2,295,254. Of this balance, \$200,000 was covered by federal depository insurance, and \$2,095,254 was covered by pledged collateral. Chapter 280, Florida Statutes, defines the eligible collateral for these qualified public depositories.

The collateral for the Tax Collector's deposits is categorized to give an indication of the level of risk assumed by the Tax Collector at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Tax Collector or his agent in the Tax Collector's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Tax Collector's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Tax Collector's name. At year end, all of the Tax Collector's deposits were in Category 1.

F. **Inventories** - It is the policy of the Tax Collector to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. **Fixed Assets** - Fixed assets used in governmental fund type operations are accounted for in the general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation has been provided on the County's equipment on the straight-line basis over three to twelve years. Assets purchased by the Tax Collector are reported in the Board of County Commissioner s' general fixed assets accounts.

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 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, 2007 were as follows: Regular Employees 9.85%; Senior Management 13.12%; Elected Officials 16.53%; Deferred Retirement Option Program (DROP) 10.91%. 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, 2007, 2006 and 2005 were \$91,049, \$75,903, and \$61,532, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2007, were:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 19,976	\$ -
Ad Valorem Tax Fund	-	19,976
	<u>\$ 19,976</u>	<u>\$ 19,976</u>

COMBINING STATEMENTS

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

AGENCY FUNDS

COMBINING BALANCE SHEET

September 30, 2007

	<u>Ad Valorem Tax Fund</u>	<u>Tag Agency Fund</u>	<u>Totals</u>
ASSETS			
Cash	\$ 1,715,029	\$ 122,573	\$ 1,837,602
Dishonored checks receivable	-	1,343	1,343
Total assets	<u>\$ 1,715,029</u>	<u>\$ 123,916</u>	<u>\$ 1,838,945</u>
LIABILITIES			
Accounts payable	\$ 1,912	\$ -	\$ 1,912
Due to individuals	162,146	-	162,146
Due to other funds	19,976	-	19,976
Due to the Board of County Commissioners	666,585	20,236	686,821
Due to other governmental units	633,196	95,409	728,605
Interest payable	152,884	8,251	161,135
Occupational licenses payable	63,324	-	63,324
Escrow funds payable	13,930	-	13,930
Other current liabilities	1,076	20	1,096
Total liabilities	<u>\$ 1,715,029</u>	<u>\$ 123,916</u>	<u>\$ 1,838,945</u>

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
COMBINING STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended September 30, 2007**

	Balance October 1, 2006	Additions	Deductions	Balance September 30, 2007
AD VALOREM TAX FUND				
Assets				
Cash	\$ 1,221,876	\$ 57,261,315	\$ 56,768,162	\$ 1,715,029
Dishonored checks receivable	234	222,558	222,792	-
Total assets	<u>\$ 1,222,110</u>	<u>\$ 57,483,873</u>	<u>\$ 56,990,954</u>	<u>\$ 1,715,029</u>
Liabilities				
Accounts payable	\$ -	\$ 1,608,770	\$ 1,606,858	\$ 1,912
Due to individuals	87,341	2,988,650	2,913,845	162,146
Due to other funds	2,959	911,462	894,445	19,976
Due to the Board of County Commissioners	1,030,495	21,044,312	21,408,222	666,585
Due to other governmental units	6,712	34,293,682	33,667,198	633,196
Interest payable	-	166,867	13,983	152,884
Occupational licenses payable	62,016	85,498	84,190	63,324
Escrow funds payable	18,614	85,866	90,550	13,930
Other current liabilities	13,973	3,587,555	3,600,452	1,076
Total liabilities	<u>\$ 1,222,110</u>	<u>\$ 64,772,662</u>	<u>\$ 64,279,743</u>	<u>\$ 1,715,029</u>
TAG AGENCY FUND				
Assets				
Cash	\$ 162,396	\$ 5,529,458	\$ 5,569,281	\$ 122,573
Dishonored checks receivable	413	19,581	18,651	1,343
Total assets	<u>\$ 162,809</u>	<u>\$ 5,549,039</u>	<u>\$ 5,587,932</u>	<u>\$ 123,916</u>
Liabilities				
Accounts payable	\$ 362	\$ 12,178	\$ 12,540	\$ -
Due to other funds	-	921	921	-
Due to Board of County Commissioners	21,170	20,236	21,170	20,236
Due to other governmental units	141,245	5,484,510	5,530,346	95,409
Interest payable	-	8,251	-	8,251
Other current liabilities	32	16,837	16,849	20
Total liabilities	<u>\$ 162,809</u>	<u>\$ 5,542,933</u>	<u>\$ 5,581,826</u>	<u>\$ 123,916</u>

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
COMBINING STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended September 30, 2007**

	Balance October 1, 2006	Additions	Deductions	Balance September 30, 2007
TOTALS-ALL AGENCY FUNDS				
Assets				
Cash	\$ 1,384,272	\$ 62,790,773	\$ 62,337,443	\$ 1,837,602
Dishonored checks receivable	647	242,139	241,443	1,343
Total assets	<u>\$ 1,384,919</u>	<u>\$ 63,032,912</u>	<u>\$ 62,578,886</u>	<u>\$ 1,838,945</u>
Liabilities				
Accounts payable	\$ 362	\$ 1,620,948	\$ 1,619,398	\$ 1,912
Due to individuals	87,341	2,988,650	2,913,845	162,146
Due to other funds	2,959	912,383	895,366	19,976
Due to the Board of County Commissioners	1,051,665	21,064,548	21,429,392	686,821
Due to other governmental units	147,957	39,778,192	39,197,544	728,605
Interest payable	-	175,118	13,983	161,135
Occupational licenses payable	62,016	85,498	84,190	63,324
Escrow funds payable	18,614	85,866	90,550	13,930
Other current liabilities	14,005	3,604,392	3,617,301	1,096
Total liabilities	<u>\$ 1,384,919</u>	<u>\$ 70,315,595</u>	<u>\$ 69,861,569</u>	<u>\$ 1,838,945</u>

COMPLIANCE SECTION

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

To the Tax Collector
Columbia County, Florida

We have audited the special purpose fund financial statements of the Columbia County Tax Collector, as of and for the year ended September 30, 2007, and have issued our report thereon dated April 28, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Columbia County Tax Collector's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Columbia County Tax Collector's financial statements that is more than inconsequential will not be prevented or detected by the Columbia County Tax Collector's internal control.

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

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

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

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



POWELL & JONES
April 28, 2008

MANAGEMENT LETTER

Honorable Tax Collector
Columbia County, Florida

We have audited the financial statements of the Columbia County Tax Collector, as of and for the year ended September 30, 2007, and have issued our report thereon dated April 28, 2008. 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 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, 2007. The financial statements of the Tax Collector are combined with other County agencies in that report.

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

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

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

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

CONCLUSION - We have reviewed information regarding our audit with the Tax Collector and have provided appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this year's examination of the County. We appreciate the helpful assistance of all County employees in completing this year's audit.

Powell & Jones

POWELL & JONES
Certified Public Accountants
April 28, 2008