

**COLUMBIA COUNTY,
FLORIDA**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2013

COLUMBIA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2013

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INTRODUCTORY SECTION

COLUMBIA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2013

<u>Title</u>	<u>Name</u>
Board of County Commissioners	
District I	Ronald Williams
District II	Rusty DePratter
District III	Bucky Nash
District IV	Stephen E. Bailey
District V	Scarlet Frisina
County Attorney	Marlin M. Feagle
Clerk of Circuit Court	P. DeWitt Cason
Property Appraiser	J. Doyle Crews
Sheriff	Mark Hunter
Supervisor of Elections	Elizabeth P. Horne
Tax Collector	Ronnie Brannon

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS



Powell & Jones
Certified Public Accountants

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Marian Jones Powell, CPA

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

**To the Board of County Commissioners
and Constitutional Officers
Columbia County, Florida**

Report on the Financial Statements

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, as of and for the fiscal year ended September 30, 2013, which collectively comprise **Columbia County, Florida's basic financial statements** as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and **disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.**

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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, 2013, and the respective changes in financial position and cash flows, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 18 and budgetary comparison information on pages 61 through 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

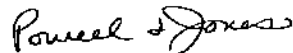
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **Columbia County, Florida's financial statements as a whole**. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A - 133, *Audits of States, Local Governments, and Non - Profit Organizations*, and *Chapter 10.550 Rules of the State of Florida, Office of the Auditor General*; and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining fund financial statements, listed in the table of contents, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2014 on our consideration of Columbia County, Florida's **internal control over financial reporting** and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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*, in considering the Columbia County, Florida's **internal control over financial reporting and compliance**.



POWELL & JONES
Certified Public Accountants
May 28, 2014

COLUMBIA COUNTY, FLORIDA
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2013

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2013. 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, 2013.

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 position** 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 position of governmental activities and business-type activities and the change in net position. 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 position presents information on all assets and liabilities of the County, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Net position is reported in three categories: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position 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 position. 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 position**; a **statement of revenues, expenses, and changes in net position**; and a **statement of cash flows** are presented. A combining statement of fiduciary net position 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 are reported in the **statement of net position**. 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 \$167,609,190 (net position). Unrestricted net position for governmental activities was \$12,755,057, and for business-type activities was \$2,075,732. Governmental Activities restricted net position is \$31,613,660, and was \$-0- for Business-type Activities.

Total net position increased by \$5,247,339. Of that amount, \$5,249,501 is attributable to Governmental Activities and Business-type Activities net position decreased by \$(2,162).

Governmental Funds revenues increased by \$7,109,720 to \$60,804,318. This increase in revenue was due primarily to an increase in grant revenue. Governmental Fund expenditures decreased by \$(5,198,369) to \$55,254,817. This decrease in expenditures was primarily due to budgetary control during the year.

Business-type activities revenues decreased minimally to \$2,262,927, and business-type expenses also decreased to \$2,565,012. The decrease in expenses was attributable to budgetary control.

FINANCIAL ANALYSIS OF THE COUNTY

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2013, the assets of the County exceed liabilities by \$167,609,190.

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

Net Position

	Governmental	Business-type	Total Government	
			2013	2012
Assets				
Current assets	\$ 50,166,694	\$ 6,422,565	\$ 56,589,259	\$ 54,084,783
Restricted assets	-	4,654,058	4,654,058	4,723,775
Noncurrent assets	123,398,419	11,660,219	135,058,638	127,875,452
Total assets	173,565,113	22,736,842	196,301,955	186,684,010
Liabilities				
Current liabilities (payable from current assets)	4,131,476	1,543,918	5,675,394	5,342,875
Current liabilities (payable from restricted assets)	-	119,647	119,647	119,494
Noncurrent liabilities	14,069,408	8,828,316	22,897,724	18,859,788
Total liabilities	18,200,884	10,491,881	28,692,765	24,322,157
Net Position				
Net position invested in capital assets, net of related debt	110,995,512	10,169,229	121,164,741	117,923,549
Net position - restricted	31,613,660	-	31,613,660	19,184,750
Net position - unrestricted	12,755,057	2,075,732	14,830,789	25,253,554
Total net position	\$ 155,364,229	\$ 12,244,961	\$ 167,609,190	\$ 162,361,853

72.3% of the County's net position reflects 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 18.86% of the County's net position represents resources that are dedicated or subject to restrictions on how they may be used. The remaining balance of unrestricted net position (8.8%) 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 position. The increase in Governmental Activities net position is due primarily to the receipt of FEMA funds related to Tropical Storm Debby and various road improvements and other capital grants received for capital road projects which have been capitalized. The increase in Business-type Activities net position is due to budgetary management and a transfer in from the Economic Development Fund.

Changes in Net Position

	Governmental Activities	Business-type Activities	Total Government	
			2013	2012
Revenues:				
Program revenues				
Charges for services	\$ 12,377,410	\$ 2,261,659	\$ 14,639,069	\$ 14,392,834
Operating grants/ contributions	5,545,657	70,588	5,616,245	2,637,087
Capital grants/contributions	3,901,826	34,329	3,936,155	1,189,609
General revenues				
Property taxes	17,326,161	-	17,326,161	19,079,730
Sales and use taxes	9,997,532	-	9,997,532	9,487,829
Federal and State shared revenues	11,037,573	-	11,037,573	11,439,782
Interest	43,093	10,146	53,239	190,492
Other	575,066	(113,795)	461,271	886,990
Total revenues	60,804,318	2,262,927	63,067,245	59,304,353
Expenses:				
General government	9,788,439	-	9,788,439	9,800,709
Public safety	19,918,883	-	19,918,883	21,347,764
Physical environment	4,321,083	2,565,089	6,886,172	6,902,558
Transportation	12,857,225	-	12,857,225	12,151,898
Economic environment	1,099,379	-	1,099,379	3,144,488
Human services	2,547,370	-	2,547,370	1,577,788
Culture/recreation	2,893,914	-	2,893,914	2,064,600
Court related	1,591,830	-	1,591,830	1,504,178
Interest on long-term debt	236,694	-	236,694	442,833
Total expenses	55,254,817	2,565,089	57,819,906	58,936,816
Transfers in (out)	(300,000)	300,000	-	-
Increase (decrease) in net position	\$ 5,249,501	\$ (2,162)	\$ 5,247,339	\$ 367,537

Property taxes provide 28.5% of the revenues for Governmental Activities, while sales taxes provide 16.44%. Most of the Governmental Activities resources are spent for Public Safety (36%), General Government (18%), Transportation (23%), 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, 2013, total assets were \$17,905,861 and

total liabilities were \$479,662. The ending fund balance was \$17,426,199; \$2,448,466 of which is committed or assigned for specified projects.

During the year ended September 30, 2013, total revenues, \$32,411,843, exceeded total expenditures, \$14,626,852, by \$17,784,991. \$14,057,150 was transferred to other funds for operational and capital related purposes and \$512,892 was transferred in. The net increase in the fund balance in the General Fund was therefore, \$4,240,733.

During the fiscal year, the County amended the General Fund budget by \$1,710,404, primarily due to capital outlays being approved 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. During the year, expenditures exceeded revenues, debt proceeds, and transfers by \$1,331,496, resulting in an ending fund balance of \$4,370,584.

The *Municipal Services Fund* 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, 2013, expenditures and transfers exceeded revenues by \$1,199,526. This was primarily due to a transfer of \$2,000,000 to the Road Improvement Fund.

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 \$12,224,003, 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 \$1,906,945, and this fund also has 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, revenues exceeded expenditures and transfers out by \$104,767, leaving an ending fund balance of \$1,921,777.

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 and transfers in exceeded by expenditures by \$1,145,604, leaving an ending fund balance of \$5,057,186 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 and transfers in exceeded expenditures \$1,201,334, leaving an ending fund balance of \$3,430,239.

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 tippage fees charged to users of the services. Total assets as of September 30, 2013, were \$18,124,968, total liabilities were \$7,527,136, and net position was \$10,597,832. Total income, including interest and grants was \$2,302,009, and total expenses and a net loss on disposition or equipment were \$2,296,500, leaving a change in net position of \$5,509.

The Utilities Fund, accounts for the financial activities associated with the County operated water and sewer services. Total assets at September 30, 2013 were \$4,611,874, total liabilities were \$2,964,745, and net position was \$1,647,129. Total income and transfers in were \$374,713. Total expenses, including interest expense, were \$382,384, leaving a net change in net position of \$(7,761).

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2013, is \$134,982,988 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. General fixed assets are recorded at cost. For assets purchased before 2003, assets were recorded at cost or fair market value. Depreciation was not recognized for governmental activities.

The most significant change in capital assets during the fiscal year was the ongoing construction 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, 2013, compared to the prior year:

Capital Assets

	Governmental Activities	Business-type Activities	Total Government	
			2013	2012
Land and improvements	\$ 8,005,516	\$ 1,942,201	\$ 9,947,717	\$ 22,877,975
Construction in progress	10,238,161	2,121,441	12,359,602	5,901,000
Infrastructure	146,377,341	-	146,377,341	139,783,615
Buildings and improvements	54,069,189	13,841,536	67,910,725	50,393,933
Equipment	27,474,313	2,893,275	30,367,588	28,725,270
	<u>246,164,520</u>	<u>20,798,453</u>	<u>266,962,973</u>	<u>247,681,793</u>
Less accumulated depreciation	(122,841,751)	(9,138,234)	(131,979,985)	(115,431,959)
Total	<u>\$ 123,322,769</u>	<u>\$ 11,660,219</u>	<u>\$ 134,982,988</u>	<u>\$ 132,249,834</u>

DEBT MANAGEMENT

Governmental Activities Debt

During the year, total long-term debt increased by \$3,797,999, leaving the following balances:

Revenue bonds	\$ 10,714,845
Capital leases	1,612,412
Compensated absences	2,049,590
	<u>\$ 14,376,847</u>

Business - iii

The County has received loans from the Florida Department of Environmental Protection in support of its utility services. The total balances payable of these loans was \$1,490,990 at September 30, 2013.

The County also had \$32,306 in long term compensated absences and an estimated landfill closure and post-closure liability \$7,456,973 at year end.

OTHER FINANCIAL INFORMATION

Economic

The current unemployment rate for the County, was 6.6%.

- The estimated population for the County in 2013 was 51,393, and is estimated to be approximately the same by the end of 2014.
- The ad valorem tax millage rate for the County was 8.015 mills in 2013, which was the same as the prior year. During the ensuing year, the millage rate was kept at the same rate.

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 POSITION

September 30, 2013

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current Assets			
Cash	\$ 17,455,726	\$ 5,019,984	\$ 22,475,710
Accounts receivable	11,340	292,331	303,671
Due from other funds	1,463,600	148,534	1,612,134
Due from agency funds	303,129	-	303,129
Due from other governmental units	7,185,026	-	7,185,026
Inventories	8,267	-	8,267
Prepaid expenses	1,808	-	1,808
Investments	23,735,143	961,716	24,696,859
Other current assets	2,655	-	2,655
Total current assets	50,166,694	6,422,565	56,589,259
Noncurrent Assets			
Restricted assets			
Cash	-	98,344	98,344
Investments	-	4,555,714	4,555,714
Total restricted assets	-	4,654,058	4,654,058
Note receivable	75,650	-	75,650
Capital assets, net	123,322,769	11,660,219	134,982,988
Total noncurrent assets	123,398,419	16,314,277	139,712,696
Total assets	\$ 173,565,113	\$ 22,736,842	\$ 196,301,955
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 2,055,660	\$ 10,579	\$ 2,066,239
Accrued payroll liabilities	578,470	-	578,470
Due to other funds	148,534	1,463,600	1,612,134
Due to agency funds	117	-	117
Due to other governmental units	85,112	-	85,112
Accrued compensated absences	307,439	32,306	339,745
Interest payable	29,734	7,287	37,021
Deposits	-	19,746	19,746
Deferred revenue	926,075	-	926,075
Other current liabilities	335	10,400	10,735
Total current liabilities	4,131,476	1,543,918	5,675,394
Current Liabilities Payable from Restricted Assets			
Landfill postclosure costs	-	119,647	119,647
	-	119,647	119,647
Noncurrent Liabilities			
Due within one year:			
Notes and loans payable	-	99,259	99,259
Capital leases	163,590	-	163,590
Bonds payable	1,227,042	-	1,227,042
Due in more than one year:			
Notes and loans payable	-	1,391,731	1,391,731
Capital leases	1,448,822	-	1,448,822
Bonds payable	9,487,803	-	9,487,803
Accrued compensated absences	1,742,151	-	1,742,151
Estimated landfill closure liability	-	7,337,326	7,337,326
Total noncurrent liabilities	14,069,408	8,828,316	22,897,724
Total liabilities	18,200,884	10,491,881	28,692,765

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET POSITION

September 30, 2013

	<u>Governmental</u> <u>Activities</u>	<u>Business - type</u> <u>Activities</u>	<u>Total</u>
NET POSITION			
Invested in capital assets, net of related debt	\$ 110,995,512	\$ 10,169,229	\$ 121,164,741
Restricted	31,613,660	-	31,613,660
Unrestricted	12,755,057	2,075,732	14,830,789
Total net position	<u>\$ 155,364,229</u>	<u>\$ 12,244,961</u>	<u>\$ 167,609,190</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2013

	Program Services			Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Functions/Programs							
Governmental Activities							
General Government	\$ 9,788,439	\$ 2,397,941	\$ 23,138	\$ -	\$ (7,367,360)	\$ -	\$ (7,367,360)
Public Safety	19,918,883	4,807,651	518,608	1,219	(14,591,405)	-	(14,591,405)
Physical Environment	4,321,083	3,831,013	-	-	(490,070)	-	(490,070)
Transportation	12,857,225	48,788	-	3,900,607	(8,907,830)	-	(8,907,830)
Economic Environment	1,099,379	-	4,670,642	-	3,671,263	-	3,671,263
Human Services	2,647,370	1,638	108,319	-	(2,437,513)	-	(2,437,513)
Culture/recreation	2,893,914	138,379	103,645	-	(2,651,890)	-	(2,651,890)
Court-related	1,691,830	1,162,100	121,306	-	(318,425)	-	(318,425)
Interest on long-term debt	236,694	-	-	-	(236,694)	-	(236,694)
Total governmental activities	66,254,817	12,377,410	5,646,667	3,901,826	(33,429,924)	-	(33,429,924)
Business - type activities							
Physical Environment							
Landfill and utilities	2,565,089	2,261,659	70,588	34,329	-	(198,513)	(198,513)
Total government	67,819,906	14,639,069	5,616,245	3,936,155	(33,429,924)	(198,513)	(33,628,437)
General revenues							
Ad valorem taxes					17,326,161	-	17,326,161
Sales and use taxes					9,689,968	-	9,689,968
Franchise taxes					34,727	-	34,727
Federal payments in lieu of taxes					272,837	-	272,837
Federal and state shared revenue					11,037,573	-	11,037,573
Interest					43,093	10,146	53,239
Gain (loss) on disposition of fixed assets					116,761	(113,795)	2,966
Rents and royalties					2,910	-	2,910
Miscellaneous					455,395	-	455,395
Transfers in (out)					(300,000)	300,000	-
Total general revenue					38,679,425	196,351	38,875,776
Change in net position					5,249,501	(2,162)	5,247,339
Net position beginning of year					150,114,728	12,247,123	162,361,851
Net position end of year					\$ 155,364,229	\$ 12,244,961	\$ 167,609,190

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2013**

	Special Revenue Funds					Capital Projects Funds		Other Governmental Funds	Total Governmental Funds	
	General Fund	County Transportation Trust	Municipal Services	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project			Road Improvement
ASSETS										
Current assets										
Cash	\$ 1,677,474	\$ 1,780,592	\$ 6,663	\$ 102,356	\$ 902,273	\$ 1,833,505	\$ 5,574,252	\$ 90,051	\$ 5,488,560	\$ 17,455,726
Accounts receivable	24	-	214	245	10,843	-	-	-	14	11,340
Notes receivable	-	-	-	-	-	75,650	-	-	-	75,650
Due from other funds	1,966,929	-	502,322	134,731	-	-	-	-	84,415	2,668,397
Due from other governmental units	2,445,960	394,284	24,669	21,125	14,297	12,000	-	3,909,193	363,498	7,185,026
Inventories	-	8,267	-	-	-	-	-	-	-	8,267
Prepaid expenses	-	-	-	-	-	-	-	-	1,808	1,808
Investments	11,814,819	2,191,314	8,860,327	-	-	-	-	-	868,683	23,735,143
Other current assets	855	-	-	-	-	2,000	-	-	-	2,655
Total assets	\$ 17,905,861	\$ 4,374,457	\$ 9,394,195	\$ 258,457	\$ 927,413	\$ 1,923,155	\$ 5,574,252	\$ 3,999,244	\$ 6,786,978	\$ 51,144,012
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ 478,072	\$ 3,873	\$ 147,920	\$ 503	\$ 254,620	\$ 1,378	\$ 517,066	\$ 568,621	\$ 83,607	\$ 2,055,660
Due to other funds	-	-	158,517	58,484	110,360	-	-	-	722,958	1,050,319
Due to other governmental units	1,590	-	-	61,032	-	-	-	384	22,106	85,112
Accrued payroll liabilities	-	-	1,372	-	562,433	-	-	-	14,665	578,470
Revenues collected in advance	-	-	-	138,438	-	-	-	-	787,837	926,075
Other current liabilities	-	-	335	-	-	-	-	-	-	335
Total liabilities	479,662	3,873	308,144	258,457	927,413	1,378	517,066	569,005	1,630,973	4,695,971
Fund balances										
Nonspendable:										
Inventories	-	8,267	-	-	-	-	-	-	-	8,267
Note receivable	-	-	-	-	-	75,650	-	-	-	75,650
Other	1,808	-	-	-	-	2,000	-	-	-	3,808
Restricted	-	4,362,317	9,086,051	-	-	-	-	-	3,012,586	16,460,954
Committed	2,443,755	-	-	-	-	-	-	-	49,507	2,493,262
Assigned	4,711	-	-	-	-	1,844,127	5,057,186	3,430,239	2,237,264	12,573,527
Unassigned	14,975,925	-	-	-	-	-	-	-	(143,352)	14,832,573
Total fund balances	17,428,199	4,370,584	9,088,051	-	-	1,921,777	5,057,188	3,430,239	5,158,005	48,448,041
Total liabilities and fund balances	\$ 17,905,861	\$ 4,374,457	\$ 9,394,195	\$ 258,457	\$ 927,413	\$ 1,923,155	\$ 5,574,252	\$ 3,999,244	\$ 8,788,978	

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

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

123,322,769

Long-term debt transactions are not due and payable in the current period and therefore are not reported in the funds:

Bonds payable

(10,714,845)

Capital leases

(1,612,412)

Accrued compensated absences

(2,049,590)

Interest payable

(29,734)

See notes to financial statements.

Net position of governmental activities

\$ 155,364,229

**COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2013**

	Special Revenue Funds					Capital Projects Funds		Other Governmental Funds	Total Governmental Funds	
	General Fund	County Transpor- tation Trust	Municipal Services	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project			Road Improvement
REVENUES										
Taxes	\$ 21,355,745	\$ 3,368,839	\$ 833,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,619,309	\$ 27,177,022
Licenses and permits, special assessments	17,355	-	7,173,241	-	-	-	-	-	34,242	7,224,838
Intergovernmental	9,121,687	3,798,703	431,129	1,026,597	119,825	1,162,000	-	3,900,607	926,339	20,486,887
Charges for services	1,534,644	27,619	13,210	468,226	150,680	-	-	-	2,638,405	4,832,784
Fines and forfeitures	125,702	-	-	133,884	-	-	-	-	205,428	465,012
Interest	28,532	486	-	-	-	1,846	6,046	877	4,306	43,093
Miscellaneous	227,178	126,641	-	-	49,265	-	-	-	53,618	456,702
Total revenues	32,411,843	7,322,288	8,450,709	1,628,707	319,770	1,163,846	6,046	3,901,484	5,481,645	60,686,338
EXPENDITURES										
Current expenditures										
General government	4,461,976	-	433,506	884,602	-	-	-	-	3,308,639	9,088,723
Public safety	2,966,786	-	3,513,185	-	11,526,384	-	-	-	308,413	18,314,768
Physical environment	979,580	6,430	3,262,303	-	-	-	-	-	-	4,248,313
Transportation	-	6,086,195	-	-	-	-	22,453	96,290	-	6,204,938
Economic environment	176,019	-	1,624	-	-	269,251	-	-	641,127	1,088,021
Human services	2,501,219	-	-	-	-	-	-	-	-	2,501,219
Culture/recreation	1,901,413	-	43,797	-	-	-	-	-	721,268	2,666,478
Court-related	-	-	-	1,022,343	-	-	-	-	569,487	1,591,830
Capital outlay										
General government	348,391	-	-	-	-	-	-	-	18,255	366,646
Public safety	125,484	-	35,195	-	697,619	-	-	-	49,594	907,892
Physical environment	6,872	-	-	-	-	-	-	-	-	6,872
Transportation	-	1,894,752	-	-	-	-	3,307,989	6,851,789	-	12,054,530
Economic environment	-	-	-	-	-	-	-	-	860,637	860,637
Human services	22,781	-	-	-	-	-	-	-	-	22,781
Culture/recreation	1,136,331	-	-	-	-	-	-	-	-	1,136,331
Debt services										
Principal	-	748,058	236,051	-	-	412,134	-	-	11,161	1,407,404
Interest	-	33,272	124,574	-	-	77,694	-	-	839	236,379
Total expenditures	14,626,852	8,768,707	7,650,235	1,906,945	12,224,003	759,079	3,330,442	6,948,079	6,489,420	62,703,762
Excess of revenues over (under) expenditures	17,784,991	(1,446,419)	800,474	(278,238)	(11,904,233)	404,767	(3,324,396)	(3,046,595)	(1,007,775)	(2,017,424)
Other financing sources (uses)										
Sale of fixed assets	-	693,239	-	-	-	-	-	-	-	693,239
Debt proceeds	-	797,184	-	-	-	-	4,470,000	-	-	5,267,184
Interfund transfers in	512,892	-	-	278,238	11,904,233	-	-	5,275,500	1,724,650	19,695,513
Interfund transfers out	(14,057,150)	(1,375,500)	(2,000,000)	-	-	(300,000)	-	-	(2,262,863)	(19,995,513)
Total other financing sources (uses)	(13,544,258)	114,923	(2,000,000)	278,236	11,904,233	(300,000)	4,470,000	5,275,500	(538,213)	5,660,423
Net change in fund balances	4,240,733	(1,331,496)	(1,199,526)	-	-	104,767	1,145,604	2,228,905	(1,545,988)	3,642,999
Fund balances beginning of year	13,185,466	5,702,080	10,285,577	-	-	1,817,010	3,911,582	1,201,334	6,701,993	42,805,042
Fund balances end of year	\$ 17,426,199	\$ 4,370,584	\$ 9,086,051	\$ -	\$ -	\$ 1,921,777	\$ 5,057,186	\$ 3,430,239	\$ 5,156,005	\$ 46,448,041

See notes to financial statements.

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, 2013

Net change in fund balances - total governmental funds \$ 3,642,999

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	\$15,355,689	
Less current year depreciation	<u>(9,375,614)</u>	
		5,980,075

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		(576,478)
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Governmental funds do not report donated assets as revenue

Donation of fixed assets		1,219
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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 position.

Loan proceeds		(5,267,184)
---------------	--	-------------

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 position.

Capital lease principal payments	759,219	
Bond principal payments	<u>648,185</u>	
		1,407,404

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	61,781	
Net change in accrued interest expense	<u>(315)</u>	
		61,466
		<u>\$ 5,249,501</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2013**

	Landfill Enterprise	Utilities	Total
ASSETS			
Current Assets			
Cash	\$ 4,842,469	\$ 177,515	\$ 5,019,984
Accounts receivable net of allowance for uncollectible accounts	290,634	1,697	292,331
Due from other funds	148,534	-	148,534
Investments	961,716	-	961,716
Total current assets	6,243,353	179,212	6,422,565
Noncurrent Assets			
Restricted assets			
Cash	98,344	-	98,344
Investments	4,555,714	-	4,555,714
Total restricted assets	4,654,058	-	4,654,058
Fixed assets			
Land	887,973	1,054,229	1,942,202
Buildings	493,668	131,200	624,868
Improvements other than buildings	9,547,360	3,669,308	13,216,668
Equipment	2,816,499	76,776	2,893,275
Construction in progress	2,121,441	-	2,121,441
Allowance for depreciation	(8,639,384)	(498,851)	(9,138,235)
Total fixed assets	7,227,557	4,432,662	11,660,219
Total noncurrent assets	11,881,615	4,432,662	16,314,277
Total assets	\$ 18,124,968	\$ 4,611,874	\$ 22,736,842
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 10,150	\$ 429	\$ 10,579
Due to other funds	9,731	1,453,869	1,463,600
Interest payable	-	7,287	7,287
Accrued compensated absences	32,306	-	32,306
Deposits	17,976	1,770	19,746
Note payable, short-term portion	-	99,259	99,259
Other current liabilities	-	10,400	10,400
Total current liabilities	70,163	1,573,014	1,643,177
Current Liabilities Payable from Restricted Assets			
Landfill postclosure costs	119,647	-	119,647
Total current liabilities payable from restricted assets	119,647	-	119,647
Noncurrent Liabilities			
Loan payable Department of Environmental Protection	-	1,391,731	1,391,731
Estimated landfill closure liability	7,337,326	-	7,337,326
Total noncurrent liabilities	7,337,326	1,391,731	8,729,057
Total liabilities	7,527,136	2,964,745	10,491,881

(Continued)

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2013**

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Total</u>
NET POSITION			
Invested in capital assets, net of related debt	\$ 7,227,557	\$ 2,941,672	\$ 10,169,229
Unrestricted	3,370,275	(1,294,543)	2,075,732
Total net position	<u>\$ 10,597,832</u>	<u>\$ 1,647,129</u>	<u>\$ 12,244,961</u>

See notes to financial statements

COLUMBIA COUNTY, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Fiscal Year Ended September 30, 2013

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Totals</u>
OPERATING REVENUES			
Licenses and permits	\$ -	\$ 4,245	\$ 4,245
Charges for services			
Physical environment			
Garbage/solid waste revenue	2,221,461	-	2,221,461
Water and wastewater revenue	-	35,953	35,953
Total operating revenues	<u>2,221,461</u>	<u>40,198</u>	<u>2,261,659</u>
 OPERATING EXPENSES			
Landfill and water/wastewater utilities			
Personnel services	605,359	-	605,359
Operating expenses	1,205,058	146,456	1,351,514
Depreciation	372,288	198,062	570,350
Total landfill and water/wastewater utilities	<u>2,182,705</u>	<u>344,518</u>	<u>2,527,223</u>
Total operating expenses	<u>2,182,705</u>	<u>344,518</u>	<u>2,527,223</u>
Operating income (loss)	<u>38,756</u>	<u>(304,320)</u>	<u>(265,564)</u>
 NONOPERATING REVENUES (EXPENSES)			
State grants			
Physical environment			
State grants	70,588	34,329	104,917
Gain (loss) on disposal of capital assets	(113,795)	-	(113,795)
Interest earnings	9,960	186	10,146
Debt service costs			
Interest	-	(37,866)	(37,866)
Total nonoperating revenues (expenses)	<u>(33,247)</u>	<u>(3,351)</u>	<u>(36,598)</u>
Change in net position before operating transfers	5,509	(307,671)	(302,162)
Operating transfers in	-	300,000	300,000
Change in net position after operating transfers	5,509	(7,671)	(2,162)
Net position at beginning of year	10,592,323	1,654,800	12,247,123
Net position at end of year	<u>\$ 10,597,832</u>	<u>\$ 1,647,129</u>	<u>\$ 12,244,961</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2013

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Total</u>
Cash Flows From Operating Activities			
Cash flows received from customers	\$ 2,154,906	\$ 46,017	\$ 2,200,923
Cash paid to employees	(450,694)	-	(450,694)
Cash paid for employee benefits	(150,444)	-	(150,444)
Cash paid to vendors	(874,948)	(154,407)	(1,029,355)
Net cash provided (used) by operating activities	<u>678,820</u>	<u>(108,390)</u>	<u>570,430</u>
Cash Flows From Noncapital Financing Activities			
State grants received	70,588	34,329	104,917
Transfers in from other funds	-	300,000	300,000
Net cash provided by noncapital financing activities	<u>70,588</u>	<u>334,329</u>	<u>404,917</u>
Cash Flows From Capital and Related Financing Activities			
Payments to acquire or construct capital assets	(2,446,831)	(27,199)	(2,474,030)
Sale of surplus equipment	87,163	-	87,163
Proceeds of DEP loan	-	6,058	6,058
Principal paid on bonds	-	(97,162)	(97,162)
Interest paid on capital debt	-	(38,340)	(38,340)
Net cash used for capital and related financing activities	<u>(2,359,668)</u>	<u>(156,643)</u>	<u>(2,516,311)</u>
Cash Flows From Investing Activities			
Interest received	9,960	186	10,146
Increase in investments	(15,818)	-	(15,818)
Net cash provided (used) by investing activities	<u>(5,858)</u>	<u>186</u>	<u>(5,672)</u>
Net increase (decrease) in cash	(1,616,118)	69,482	(1,546,636)
Cash at beginning of year	6,556,931	108,033	6,664,964
Cash at end of year	<u>\$ 4,940,813</u>	<u>\$ 177,515</u>	<u>\$ 5,118,328</u>
Shown in the financial statements as:			
Current assets			
Cash	\$ 4,842,469	\$ 177,515	\$ 5,019,984
Noncurrent assets			
Restricted assets	98,344	-	98,344
	<u>\$ 4,940,813</u>	<u>\$ 177,515</u>	<u>\$ 5,118,328</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2013

	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	<u>\$ 38,756</u>	<u>\$ (304,320)</u>	<u>\$ (265,564)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	372,288	198,062	570,350
Increase in landfill closure liability	321,927	-	321,927
(Increase) decrease in assets:			
Accounts receivable	(68,185)	5,339	(62,846)
Increase (decrease) in liabilities:			
Accounts payable	8,183	(1,951)	6,232
Accrued compensated absences	4,221	-	4,221
Deposits	1,630	480	2,110
Other current liabilities	-	(6,000)	(6,000)
Total adjustments	<u>640,064</u>	<u>195,930</u>	<u>835,994</u>
Net cash provided (used) by operating activities	<u>\$ 678,820</u>	<u>\$ (108,390)</u>	<u>\$ 570,430</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS
September 30, 2013

ASSETS	
Cash	\$ 3,791,393
Accounts receivable	94,452
Due from other funds	117
Total assets	<u>\$ 3,885,962</u>
LIABILITIES	
Accounts payable	2,987
Cash bond liability	48,126
Court fees payable	259,699
Deposits held in escrow	138,771
Due to other funds	303,129
Due to other governmental units	2,291,389
Interest payable	45
Tax deeds payable	261,187
Other current liabilities	580,629
Total liabilities	<u>3,885,962</u>
NET POSITION	<u>\$ -</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

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.

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

County of Duval Industrial Development Authority (CCIDA) was 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. Basic Financial Statements

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.

Propri

The County's Landfill Enterprise Fund and Utilities Fund are proprietary funds. 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 Fund - The Municipal Services Fund 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.

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's Office - 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 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 County funds.

2. **Enterprise 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.

Utilities Fund - The Utilities Fund accounts for revenues, expenses, assets and liabilities associated with the County operated water and sewer services.

3. **Assets and 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, to be reported in the governmental activities column in the government-wide statement of net position.

D. **Investments**

Investments

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 money market funds, are stated at cost which approximates market value. All such investments are secured as required by State law. Other investments of the County are stated at market value as described in note 4.

3. Allowance for Doubtful Accounts

The County provides an allowance for Landfill Enterprise Fund accounts receivable that may become uncollectible. At September 30, 2013, this allowance was \$16,066. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2013.

4. Internal Balances 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 position of the County is classified as restricted assets on the statement of net position because its 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 position and then from unrestricted net position.

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 Funds. 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 construction	20 - 40

9. i l i i 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.

10.

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.

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 rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2013.

13. Landfill Closure Costs

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

14. Capital Contributions

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

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

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

“Total fund balances” of the County’s governmental funds \$46,448,041 differs from “net position” of governmental activities \$155,364,229 reported in the statement of net position. This difference primarily results from the long-term economical focus of the statement of net position 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 position included those capital assets among the assets of the County as a whole.

Cost of capital assets	\$ 246,164,520
Accumulated depreciation	(122,841,751)
Total	<u>\$ 123,322,769</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 position. Balances at September 30, 2013, were:

Revenue notes/Bonds payable	\$ 10,714,845
Capital leases payable	1,612,412
Compensated absences	2,049,590
Total	<u>\$ 14,376,847</u>

Accrued interest

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

Bonds payable	\$ 17,505
Capital leases	12,229
Total	<u>\$ 29,734</u>

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$901,668 between governmental funds must be eliminated for the statement of net position.

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 Position

	Total Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Reclassifications and Eliminations	Statement of Net Position
ASSETS					
Cash and cash equivalents	\$ 17,455,726	\$ -	\$ -	\$ -	\$ 17,455,726
Accounts receivable - net	11,340	-	-	-	11,340
Due from other funds	2,668,397	-	-	(901,668)	1,766,729
Due from other governmental units	7,185,026	-	-	-	7,185,026
Note receivable	75,650	-	-	-	75,650
Investments	23,735,143	-	-	-	23,735,143
Inventories	8,267	-	-	-	8,267
Prepaid expense	1,808	-	-	-	1,808
Other current assets	2,655	-	-	-	2,655
Capital assets - net	-	123,322,769	-	-	123,322,769
Total assets	\$ 51,144,012	\$ 123,322,769	\$ -	\$ (901,668)	\$ 173,565,113
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,055,660	\$ -	\$ -	\$ -	\$ 2,055,660
Accrued interest payable	-	-	29,734	-	29,734
Accrued payroll liabilities	578,470	-	-	-	578,470
Due to other funds	1,050,319	-	-	(901,668)	148,651
Due to other governmental units	85,112	-	-	-	85,112
Deferred revenues	926,075	-	-	-	926,075
Other current liabilities	335	-	-	-	335
Accrued compensated absences	-	-	2,049,590	-	2,049,590
Capital leases payable	-	-	1,612,412	-	1,612,412
Revenue bonds payable	-	-	10,714,845	-	10,714,845
Total liabilities	4,695,971	-	14,406,581	(901,668)	18,200,884
Fund balances/net position	46,448,041	123,322,769	(14,406,581)	-	155,364,229
Total liabilities and fund balance/net position	\$ 51,144,012	\$ 123,322,769	\$ -	\$ (901,668)	\$ 173,565,113

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL

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

The “net change in fund balances” for governmental funds \$3,642,999 differs from the “change in net position” for governmental activities \$5,249,501 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 position decreases by the amount of depreciation expense charged 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	\$ 1,219
Loss on dispositions	(576,478)
Capital outlay	15,355,689
Depreciation expense	<u>(9,375,614)</u>
Difference	<u><u>\$ 5,404,816</u></u>

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 position and do not result in an expense in the statement of activities.

Debt reduction	\$ 1,407,404
Debt proceeds	<u>(5,267,184)</u>
	<u><u>\$ (3,859,780)</u></u>

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

Net change in compensated absences	\$ 61,781
Net change in accrued interest	<u>(315)</u>
	<u><u>\$ 61,466</u></u>

Reclassification and Eliminations

Transfers in and transfers out in the amount of \$19,695,513 between governmental activities should be eliminated.

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	\$ 27,177,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,177,022
Licenses and permits	7,224,838	-	-	-	-	-	7,224,838
Intergovernmental	20,486,887	-	-	-	-	-	20,486,887
Charges for services	4,832,784	-	-	-	-	-	4,832,784
Fines and forfeitures	465,012	-	-	-	-	-	465,012
Interest	43,093	-	-	-	-	-	43,093
Miscellaneous	456,702	1,219	-	-	-	-	457,921
Total revenues	60,686,338	1,219	-	-	-	-	60,687,557
EXPENDITURES							
Current Expenditures							
General government	9,088,723	694,268	-	5,448	-	-	9,788,439
Public safety	18,314,768	1,677,082	-	(72,967)	-	-	19,918,883
Physical environment	4,248,313	72,654	-	116	-	-	4,321,083
Transportation	6,204,938	6,637,957	-	14,330	-	-	12,857,225
Economic environment	1,088,021	17,827	-	(6,469)	-	-	1,099,379
Human services	2,501,219	46,151	-	-	-	-	2,547,370
Culture/recreation	2,666,478	229,675	-	(2,239)	-	-	2,893,914
Court related	1,591,830	-	-	-	-	-	1,591,830
Capital outlay							
General government	366,646	(366,646)	-	-	-	-	-
Public safety	907,892	(907,892)	-	-	-	-	-
Physical environment	6,872	(6,872)	-	-	-	-	-
Transportation	12,054,530	(12,054,530)	-	-	-	-	-
Economic environment	860,637	(860,637)	-	-	-	-	-
Human services	22,781	(22,781)	-	-	-	-	-
Culture/recreation	1,136,331	(1,136,331)	-	-	-	-	-
Debt Service							
Principal	1,407,404	-	(1,407,404)	-	-	-	-
Interest	236,379	-	-	-	315	-	236,694
Total expenditures	62,703,762	(5,980,075)	(1,407,404)	(61,781)	315	-	55,254,817
Excess of revenues over (under) expenditures	(2,017,424)	5,981,294	1,407,404	61,781	(315)	-	5,432,740
OTHER FINANCING SOURCES (USES)							
Debt proceeds	5,267,184	-	(5,267,184)	-	-	-	-
Loss on disposition of fixed assets	693,239	(576,478)	-	-	-	-	116,761
Transfers in	19,695,513	-	-	-	-	(19,695,513)	-
Transfers out	(19,995,513)	-	-	-	-	19,695,513	(300,000)
Total other financing sources (uses)	5,660,423	(576,478)	(5,267,184)	-	-	-	(183,239)
Net change in fund balances	3,642,999	5,404,816	(3,859,780)	61,781	(315)	-	5,249,501
Fund balances at beginning of year	42,805,042	117,917,953	(8,467,477)	(2,111,371)	(29,419)	-	150,114,728
Fund balances at end of year	\$ 46,448,041	\$ 123,322,769	\$ (12,327,257)	\$ (2,049,590)	\$ (29,734)	\$ -	\$ 155,364,229

COLUMBIA COUNTY, FLORIDA

NOTE 3. IP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounti

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, 2013, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Funds budgets are 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 funds for the fiscal year ended September 30, 2013.

	<u>Appropriations</u>	<u>Expenses</u>	<u>Variance Positive (Negative)</u>
Enterprise funds			
Landfill enterprise	\$ 3,931,098	\$ 2,196,500	\$ 1,734,598
Utilities	309,155	382,384	(73,229)
	<u>\$ 4,240,253</u>	<u>\$ 2,578,884</u>	<u>\$ 1,661,369</u>

NOTE 4. VALUENTS AND INVESTMENTS

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. i

At September 30, 2013, the carrying amount of the County's deposits was \$26,365,447. All cash 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 these types of instruments during the fiscal year and additionally in federal government securities and high quality corporate debt securities.

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.

Investments consist of amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund and the Fund B Surplus Fund Trust Fund investment pools created by Sections 218.405, *Florida Statutes*, U.S. Treasury Securities, and those made locally. On December 4, 2007, the State Board of Administration restructured the Local Government Surplus Funds Trust Fund (Pool) to also establish the Fund B Surplus Funds Trust Fund. The local investments operate under the guidelines established by Section 218.415, *Florida Statutes*. The Board' investment in the Pool, w ich the State Board of Ad i stratio in icate is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of September

30, 2013, are similar to money market funds in which shares are reported at fair value, which is amortized cost.

The Board's investments in the Fund B, Surplus Funds Trust Fund, are accounted for as a fluctuating net asset value pool, with a fair value factor of 1.13262284 at September 30, 2013. The Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the State Board of Administration, are effected by transferring eligible cash or securities to the Local Government Surplus Funds Trust Fund, consistent with the pro rata allocation of Pool Shareholders of record at the creation of Fund B. One hundred percent of such distributions from Fund B are available as a liquid balance within the Local Government Surplus Funds Trust Fund.

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, 2013, the Trust had investments, at fair value, of approximately \$717.53 million. Of the total investments in the Trust, 16% was invested in asset backed securities. 27% was invested in Federal Treasury and Agency securities, 22% was invested in Corporate securities and 35% was invested in government related securities. The Florida Trust Day to Day Fund (the fund) is a money market fund of the Florida Local Government Investment Trust. As of September 30, 2013, the fund had investments of \$613.5 million of which 31.2% were in repurchase agreements and 20.6% were in government related securities. 44.1% were in corporate securities.

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

Certain investments of the Board with local banks are structured as a retail repurchase agreements. Under a retail repurchase agreement, the Bank daily at the close of business sells to the County marketable securities with a fair market value 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.

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 generally 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 one issuer that represent 5% or more of total investments.

As of September 30, 2013, the County had investments with the following issuers in the percentages of total investments shown below:

Schedule of Investments at September 30, 2013

Investment	Maturities	Fair Value	Percent	Category
State Board of Administration Local Government				
Surplus Funds Trust Fund Investment Pool	44 Day Average	\$ 34,286	0.12%	-
Fund B Surplus Funds Trust Fund	4.04 Year Average	2,340	0.01%	-
Florida Local Government Investment Pool	2 Year Average	14,537,664	49.70%	-
Florida Local Government Day to Day Fund	54 Day Average	3,825,788	13.08%	-
Repurchase agreements	Daily	3,975,123	13.59%	-
Federal and Corporate Debt Securities	1-5 years	4,992,816	17.07%	-
Certificates of Deposit, Money Market	Daily - 72 months	1,884,556	6.44%	1
Total Investments		\$ 29,252,573	100.00%	

The County's investment in debt securities and the quality ratings of these securities is as follows:

	U.S.			
	Government Obligations	Corporate Bonds	Cash and Accrued Income	Total
AAA	\$ 2,721,133	\$ -	\$ -	\$ 2,721,133
A1	-	439,230	-	439,230
A2	-	386,960	-	386,960
A3	-	380,111	-	380,111
AA2	-	532,088	-	532,088
AA3	-	296,855	-	296,855
-	-	-	236,439	236,439
	\$ 2,721,133	\$ 2,035,244	\$ 236,439	\$ 4,992,816

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 2012-2013 fiscal year were levied in October 2012. 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, 2013, was as follows:

	Beginning Balance	Donations	Additions	Reclassifications/ Adjustments	Deletions	Balance
Governmental activities:						
Capital assets:						
Land	\$ 6,285,072	\$ -	\$ 121,442			\$ 6,406,514
Land interests	1,519,600	-	79,402			1,599,002
Buildings	47,963,177	-	297,123	671,568		48,931,868
Improvements other than buildings	5,113,005	-	24,316	-		5,137,321
Road improvements	140,033,543	-	6,232,672	111,126		146,377,341
Construction in progress	5,845,790	-	5,175,065	(782,694)		10,238,161
Equipment	26,115,563	1,219	3,425,669	(2,770)	(2,065,368)	27,474,313
Total capital assets	232,875,750	1,219	15,355,689	(2,770)	(2,065,368)	246,164,520
Less accumulated depreciation	(114,957,797)	-	(9,375,614)	2,770	1,488,890	(122,841,751)
Governmental activities capital assets, net	<u>\$ 117,917,953</u>	<u>\$ 1,219</u>	<u>\$ 5,980,075</u>	<u>\$ -</u>	<u>\$ (576,478)</u>	<u>\$ 123,322,769</u>
Business-type activities:						
Land	\$ 1,915,003	\$ -	\$ 27,198	\$ -	\$ -	\$ 1,942,201
Equipment	2,813,775	-	385,895	2,770	(309,165)	2,893,275
Buildings	624,868	-	-	-	-	624,868
Improvements	13,216,668	-	-	-	-	13,216,668
Construction in progress	60,507	-	2,060,934	-	-	2,121,441
Total capital assets	18,630,821	-	2,474,027	2,770	(309,165)	20,798,453
Less accumulated depreciation	(8,673,322)	-	(570,350)	(2,770)	108,208	(9,138,234)
Business-type activities capital assets, net	<u>\$ 9,957,499</u>	<u>\$ -</u>	<u>\$ 1,903,677</u>	<u>\$ -</u>	<u>\$ (200,957)</u>	<u>\$ 11,660,219</u>

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

Governmental activities:	
General government	\$ 694,268
Public safety	1,677,082
Physical environment	72,654
Transportation	6,637,957
Economic environment	17,827
Human services	46,151
Culture/recreation	229,675
Total depreciation expense - governmental activities	<u>\$ 9,375,614</u>
Business -type activities:	
Landfill enterprise	\$ 372,288
Utilities enterprise	198,062
Total depreciation expense - business-type activities	<u>\$ 570,350</u>

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

Balances at September 30, 2013, were:

Fund	Interfund Receivables	Interfund Payables
General fund	\$ 1,966,929	\$ -
Special revenue funds:		
Municipal services benefit unit	502,322	158,517
Court service fund	10,102	-
Community Development Bock Grant	-	274,948
Neighborhood Stabilization	-	68,990
Sheriff:		
Operating	-	110,360
Clerk of Courts:		
Operating	134,731	58,484
Public records modernization	7,209	-
Reserved 10%	9,236	-
Teen court	2,135	-
Property Appraiser operating	-	28,449
Supervisor of Elections operating	-	9,332
Tax Collector operating	34,407	339,913
Agency funds:		
Clerk of Circuit Court		
Trust	117	196,386
Sheriff		
Individual depositors	-	6,181
Tax Collector		
Ad valorem tax	-	100,562
Enterprise Fund		
Landfill	148,534	9,731
Utilities	-	1,453,869
Totals	<u>\$ 2,815,722</u>	<u>\$ 2,815,722</u>

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2013, consisted of the following:

Transfers from General Fund to:	
Clerk of Courts Operating Fund	\$ 336,605
Property Appraiser Operating Fund	1,136,660
Sheriff Operating Fund	11,958,115
Supervisor of Elections Operating Fund	625,770
Transfer from Transportation Trust to:	
Road Improvement Fund	1,375,500
Transfer from Municipal Services Fund to:	
Road Improvement Fund	2,000,000
Transfer from Economic Development to:	
Utilities Fund	300,000
Transfer from Special Law Enforcement Fund to:	
Sheriff Operating Fund	22,950
Transfer from Road Improvement Debt Service Fund to:	
Road Improvement Capital Projects Fund	1,900,000
Transfer from Tax Collector Operating Fund to:	
General Fund	339,913
Total transfers	<u>\$19,995,513</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, 2013, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
Governmental activities:			
General	\$ 24	\$ 2,445,960	\$ 2,445,984
County transportation trust	-	394,284	394,284
Municipal services	214	24,669	24,883
Sheriff operating	10,843	14,297	25,140
Clerk operating	245	21,125	21,370
Economic development	-	12,000	12,000
Road improvements capital projects	-	3,909,193	3,909,193
Other governmental	14	363,498	363,512
Total governmental activities	\$ 11,340	\$ 7,185,026	\$ 7,196,366
Business-type activities:			
Landfill enterprise	\$ 290,634	\$ -	\$ 290,634
Utilities	1,697	-	1,697
Landfill enterprise	\$ 292,331	\$ -	\$ 292,331

Payables at September 30, 2013, were as follows:

	Vendors	Other Governmental Units	Total Payables
Governmental activities:			
General	\$ 478,072	\$ 1,590	\$ 479,662
County transportation trust	3,873	-	3,873
Municipal services	147,920	-	147,920
Clerk of Court operating	503	61,032	61,535
Sheriff operating	254,620	-	254,620
Economic development	1,378	-	1,378
Connector road	517,066	-	517,066
Road improvement	568,621	384	569,005
Other governmental	83,607	22,106	105,713
Total governmental activities	\$2,055,660	\$ 85,112	\$2,140,772
Business-type activities:			
Landfill enterprise	\$ 10,150	\$ -	\$ 10,150
Utilities	429	-	429
	\$ 10,579	\$ -	\$ 10,579

NOTE 10. - LIABILITIES

A. Liability

- A. On December 31, 2008, the County closed on the Capital Improvement Revenue Bond Series 2008A in the amount of \$4,800,000 with Prosperity Bank. The purpose of this issuance was to provide funds for capital improvements to fire equipment and infrastructure. The bonds are being repaid over a period of twenty years with a fixed interest rate of _____ is secured by and paid from the County's Half Cent Sales Tax revenues pursuant to County Ordinance No. 2008R-13.

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

Year Ending September 30	Principal	Interest	Total
2014	\$ 189,551	\$ 171,075	\$ 360,626
2015	197,931	162,695	360,626
2016	206,248	154,378	360,626
2017	215,800	144,826	360,626
2018	225,340	135,286	360,626
Thereafter	2,914,077	782,335	3,696,412
Total	\$ 3,948,947	\$ 1,550,595	\$ 5,499,542

- B. On December 31, 2008, the County closed on the Capital Improvement Revenue Bond Series 2008B in the amount of \$4,000,000 with Columbia Bank. The purpose of this issuance was to provide funds for capital improvements for economic development projects. The bonds are being repaid over a period of ten years with an interest rate of 3.0% is secured by and paid from the County's Half Cent Sales Tax revenues pursuant to County Ordinance No. 2008R-43.

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

Year Ending September 30	Principal	Interest	Total
2014	\$ 424,783	\$ 65,015	\$ 489,798
2015	437,852	51,946	489,798
2016	451,211	38,587	489,798
2017	465,204	24,594	489,798
2018	479,517	10,281	489,798
2019	37,301	345	37,646
Total	\$ 2,295,868	\$ 190,768	\$ 2,486,636

- C. On June 28, 2013, the County authorized the issuance of the Columbia County , the Florida Gas Tax Revenue Bond Series 2013 totaling \$4,470,000 in order to finance the cost of certain transportation related capital improvements within the County. The first two cents of the County's local op ion gas tax imposed pursuant to Section 336.025, Florida Statutes, is pledged to secure payment of the principal and interest on the bonds. The bonds are being repaid over a period of seven years with an interest rate of 1.33%. 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>
2014	\$ 612,708	\$ 56,404	\$ 669,112
2015	620,898	48,214	669,112
2016	629,197	39,915	669,112
2017	637,607	31,505	669,112
2018	646,130	22,982	669,112
2019	654,766	14,346	669,112
2020	668,694	5,594	674,288
Total	<u>\$ 4,470,000</u>	<u>\$ 218,960</u>	<u>\$ 4,688,960</u>

Capi l Leases

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

- A. Purchase of three motor graders costing \$771,762. The terms of the agreement called for six annual payments of \$95,552, which included interest at 3.75%, with a terminating payment of \$300,000 on November 13, 2014.
- B. Purchase of five motor graders costing \$861,995. The terms of the agreement call for four annual payments of \$77,412 beginning April 9, 2009, with a concluding payment of \$566,586 on April 19, 2013. These payments include interest at 3.25%. This lease was fully paid in the current year.
- C. In June, 2010, the Supervisor of Elections entered into an installment payment agreement with Kansas Bank of Manhattan for the purchase of a copier/printer costing \$43,206. The agreement is being paid in four annual installments of \$12,000, including interest at 7.5%. This lease was fully paid in the current year.
- D. Purchase of three motor graders costing \$598,338. The terms of the agreement call for five annual payments \$51,137, beginning on July 23, 2012 with a concluding payment of \$414,000 on July 23, 2017. These payments include interest at 3.00%.
- E. Purchase of four motor graders costing \$797,184. The terms of the agreement call for five annual payments \$68,055, beginning on May 3, 2013 with a concluding payment of \$552,000, on May 3, 2018. These payments include interest at 3.00%.

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, 2013:

Year Ending September 30	
2014	\$ 214,744
2015	419,192
2016	119,192
2017	482,055
2018	552,000
Less amount representing interest	<u>(174,771)</u>
Total	<u>\$1,612,412</u>

B. Business-type Activities

Loan Payable

FDEP - On July 14, 2004, the County entered into a loan agreement , number WW 74202P, 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 July 15, 2011. At September 30, 2013, the loan balance was \$523,517.

Also, in conjunction with the project, the County entered into an additional loan with the FDEP (loan number DW 120101 in the amount of \$2,885,158. This loan is payable in forty semi-annual payments of \$43,070 including interest at 2.65%, beginning on January 15, 2011. At September 30, 2013, the balance of the loan was \$779,926.

In the 2011 fiscal year, the County received an additional loan from FDEP (loan number DW 120400) in the amount of \$1,379,595, of which \$1,172,656 in principal will be forgiven. This loan is payable in forty semi-annual payments of \$6,784 including interest at 2.71%, beginning August 15, 2011. At September 30, 2013, the balance of the loan was \$187,547.

All of these loans are subject to future amendments as to principal amounts, and semi-annual payment amounts and payment inception dates. The following is a schedule of loan payments required under the agreements.

Year Ending September 30,	DEP DW120400	DEP WW74202	DEP DW12101	Interest	Total
2014	\$ 8,476	\$ 25,105	\$ 65,678	\$ 35,624	\$ 134,883
2015	8,708	25,628	67,441	33,088	134,865
2016	8,947	26,161	69,252	30,487	134,847
2017	9,192	26,705	71,112	27,818	134,827
2018	9,445	27,261	73,022	25,081	134,809
Thereafter	142,779	392,657	433,421	110,180	1,079,037
Total	\$ 187,547	\$ 523,517	\$ 779,926	\$ 262,278	\$ 1,753,268

D. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2013, was as follows:

	Balance at 10/1/2012	Additions	Deletions	Balance at 9/30/2013	Due Within One Year
Governmental activities:					
Revenue bonds:					
Columbia Bank - Series 2008B	\$ 2,708,032	\$ -	\$ 412,134	\$ 2,295,898	\$ 424,783
Prosperity Bank - Series 2008A	4,184,998	-	236,051	3,948,947	189,551
Bascom Norris - Gas Tax 2013	-	4,470,000	-	4,470,000	612,708
	<u>6,893,030</u>	<u>4,470,000</u>	<u>648,185</u>	<u>10,714,845</u>	<u>1,227,042</u>
Capital Leases Payable:					
Caterpillar Financial	566,586	-	566,586	-	-
Caterpillar Financial	449,500	-	78,694	370,806	81,647
Kansas State Bank of Manhattan	11,161	-	11,161	-	-
Ring Investments M9C00251	182,400	-	11,574	170,826	11,921
Ring Investments M9C00252	182,400	-	11,574	170,826	11,921
Ring Investments M9C00254	182,400	-	11,574	170,826	11,921
Ring Investments M9C00285	-	199,296	17,014	182,282	11,545
Ring Investments M9C00286	-	199,296	17,014	182,282	11,545
Ring Investments M9C00316	-	199,296	17,014	182,282	11,545
Ring Investments M9C00323	-	199,296	17,014	182,282	11,545
	<u>1,574,447</u>	<u>797,184</u>	<u>759,219</u>	<u>1,612,412</u>	<u>163,590</u>
Other Liabilities:					
Compensated absences	2,111,371	33,679	95,460	2,049,590	307,439
	<u>\$ 10,578,848</u>	<u>\$ 5,300,863</u>	<u>\$ 1,502,864</u>	<u>\$ 14,376,847</u>	<u>\$ 1,698,071</u>
Business activities:					
Loan agreements payable:					
Department of Environmental Regulation	\$ 1,582,094	\$ 6,058	\$ 97,162	\$ 1,490,990	\$ 99,259
Other Liabilities:					
Compensated absences	28,085	39,535	35,314	32,306	-
Estimated liability for landfill closure	7,135,046	321,927	-	7,456,973	119,647
	<u>\$ 8,745,225</u>	<u>\$ 367,520</u>	<u>\$ 132,476</u>	<u>\$ 8,980,269</u>	<u>\$ 218,906</u>

NOTE 11. LANDFILL CLOSURE AND POSTCLOSURE COSTS

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

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.

\$7,456,973 is reported as landfill closure and postclosure care liability at September 30, 2013, represents the cumulative amount reported to date based on the use of 10.8 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 2013. The County expects to close this landfill cell in the year 2018. 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, 2013, restricted cash of \$4,555,714 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>	
2014	\$ 347,339
2015	208,202
2016	98,322
2017	41,560
2018	20,809
2019	539
	<u>\$ 716,771</u>

NOTE 13. DEFINED BENEFIT AND DEFINED CONTRIBUTION PENSION PLANS

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 Management Services. The FRS offers members both a defined benefit plan and/or a defined contribution pension plan to provide retirement, disability, or death benefits for retirees or their designated beneficiaries.

The FRS is noncontributory for all members through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their wages toward the plan. 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 the other required supplementary information. The report may be obtained by writing to the Department of Management Services, Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000.

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, 2013, as follows (contribution rates are in agreement with the actuarially determined rates):

	<u>July 1, 2012 - June 30, 2013</u>	<u>July 1, 2013 - June 30, 2014</u>
<u>Regular Class</u> - Members not qualifying for other classes.	5.18%	6.95%
<u>Senior Management Service Class</u> - Members of senior management who do not elect the optional annuity management program.	6.30%	18.31%
<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.	14.90%	19.06%
<u>Special Risk Administrative Support Class</u> - Special risk members who are transferred or reassigned to non-special risk and meet the criteria.	5.91%	35.96%
<u>Elected County Officer's Class</u> - Certain elected county officials.	11.93%	33.03%
<u>Deferred Retirement Option Program</u> - Members who are eligible for normal retirement that have elected to participate in the deferred retirement option program.	5.44%	12.84%

Contributions to the FRS for the fiscal year ended September 30, 2013, were equal to 9.7% of the annual covered payroll. Contributions to the FRS for the fiscal years ended September 30, 2011, 2012, and 2013, were \$2,672,789, \$1,515,464, and \$1,818,424, respectively, which are equal to 100% of the required contribution for each year.

Funding Status - The FRS Annual Report July 1, 2012-June 30, 2013 available as previously mentioned, stated that the FRS pension plan was 85.90% funded at July 1, 2013 since the actuarial value of assets was \$131.681 billion compared to the actuarial accrued liability of \$153.303 billion.

NOTE 14. FUND BALANCES GOVERNMENTAL FUNDS

As of September 30, 2013, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BCC). The BCC is the highest level of decision making authority for the County. Commitments may be established, modified, or rescinded only through resolutions approved by the BCC.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Board of County Commissioners.

Unassigned - all other spendable amounts.

Fund balances designations are as follows:

	Committed	Assigned	Restricted	Nonspendable	Unassigned
Committed and assigned reserves in the General Fund:					
Judges fund reserve	\$ -	\$ -	\$ -	\$ -	\$ -
SRWMD mitigation reserve	-	-	-	-	-
Special projects accounts reserve	-	-	-	-	-
Virginia Bishop reserve	-	-	-	-	-
Bernhardt Trust reserve	2,443,755	4,711	-	-	14,977,733
	<u>\$ 2,443,755</u>	<u>\$ 4,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,977,733</u>
Funds with committed, assigned, unspendable and unassigned reserves:					
Economic Development	\$ -	\$ 1,844,127	\$ -	\$ 77,650	\$ -
Connector Road Project	-	5,057,186	-	-	-
Road Improvement	-	3,430,239	-	-	-
Community Development Block Grant	-	-	-	-	(114,766)
Court Service	-	842,102	-	-	-
Neighborhood Stabilization	-	-	-	-	(27,332)
Road Improvement Debt Service	-	1,329,200	-	-	-
Paving Assessments	-	65,962	-	-	-
Court Reporters	49,507	-	-	-	-
Teen Court	-	-	-	-	(1,254)
	<u>\$ 49,507</u>	<u>\$ 12,568,816</u>	<u>\$ -</u>	<u>\$ 77,650</u>	<u>\$ (143,352)</u>
All funds with restricted reserves:					
Special Revenue Funds:					
County Transportation Trust	\$ -	\$ -	\$ 4,362,347	\$ 8,237	\$ -
Municipal Services Benefit Unit	-	-	9,086,051	-	-
Impact Fees	-	-	293,545	-	-
Law Enforcement Special	-	-	38,742	-	-
Law Library	-	-	2,846	-	-
Library Enhancement Grant	-	-	384,505	-	-
Local Housing Assistance	-	-	28,809	-	-
Tourist Development Tax	-	-	1,193,861	-	-
Public Records Modernization Trust	-	-	191,985	-	-
Reserved 10%	-	-	231,222	-	-
Minimum Standards School	-	-	15,179	-	-
Forfeiture Fund	-	-	50,999	-	-
Inmate Welfare	-	-	287,613	-	-
Forfeiture Nongrant	-	-	285,848	-	-
Work Program	-	-	7,432	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,460,984</u>	<u>\$ 8,237</u>	<u>\$ -</u>
Total	<u>\$ 2,493,262</u>	<u>\$ 12,573,527</u>	<u>\$ 16,460,984</u>	<u>\$ 85,887</u>	<u>\$ 14,834,381</u>

NOTE 15. 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 16. 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 17. 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 18. FUND EQUITY DEFICITS

The following governmental fund had a deficit in fund balance at September 30, 2013:

Community Development Block Grant	\$ (114,766)
Neighborhood Stabilization	(27,332)
Teen Court	(1,254)
	<u>\$ (143,352)</u>

The deficit of this fund will be funded by interfund transfers or grant funds to be received in the ensuing year.

NOTE 19. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The County is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the County or the retiree. Participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retirees are receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the county younger and statistically healthier active employees. GASB Statement 45 requires governments to report this cost and related liability in its financial statements.

Due to the fact that only a few retirees participated in the plan during the year, management determined that its OPEB obligation at year end would be of a de minimis amount. Management will monitor this situation in the future and take appropriate steps to properly comply with this GASB Statement.

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, 2013

	Budgeted Amounts		Actual Amounts	Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 20,989,999	\$ 20,989,999	\$ 21,355,745	\$ 365,746
Licenses, permits , special assessments	-	-	17,355	17,355
Intergovernmental	4,536,138	4,536,138	9,121,687	4,585,549
Charges for services	821,418	821,418	1,534,644	713,226
Fines and forfeitures	331,500	331,500	125,702	(205,798)
Interest	50,000	50,000	29,532	(20,468)
Miscellaneous	125,000	125,000	227,178	102,178
Total revenues	26,854,055	26,854,055	32,411,843	5,557,788
EXPENDITURES				
Current operating:				
General government	4,602,469	4,379,691	4,461,976	(82,285)
Public safety	2,226,428	2,290,425	2,966,786	(676,361)
Physical environment	2,459,260	1,818,982	979,580	839,402
Economic environment	185,749	176,019	176,019	-
Human services	2,448,774	2,510,907	2,501,219	9,688
Culture/recreation	894,951	2,343,092	1,901,413	441,679
Capital outlay:				
General government	-	237,748	348,391	(110,643)
Public safety	323,000	239,155	125,484	113,671
Physical environment	5,000	4,736	6,872	(2,136)
Human services	-	23,496	22,781	715
Culture/recreation	67,356	61,980	1,136,332	(1,074,352)
Total expenditures	13,212,987	14,086,231	14,626,853	(540,622)
Excess of revenues over expenditures	13,641,068	12,767,824	17,784,990	5,017,166
Other Financing Sources (Uses)				
Transfers in	425,550	-	512,892	512,892
Transfers out	(14,155,785)	(14,567,395)	(14,057,149)	510,246
Total other financing sources (uses)	(13,730,235)	(14,567,395)	(13,544,257)	1,023,138
Net change in fund balance	(89,167)	(1,799,571)	4,240,733	6,040,304
Fund balance, beginning of year	13,185,466	13,185,466	13,185,466	-
Fund balance, end of year	\$ 13,096,299	\$ 11,385,895	\$ 17,426,199	\$ 6,040,304

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

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

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,315,000	\$ 3,315,000	\$ 3,368,839	\$ 53,839
Intergovernmental	3,565,000	3,565,000	3,798,703	233,703
Charges for services	-	-	27,619	27,619
Interest	3,000	3,000	486	(2,514)
Miscellaneous	119,620	119,620	126,641	7,021
Total revenues	7,002,620	7,002,620	7,322,288	319,668
EXPENDITURES				
Current operating:				
Physical environment	-	-	6,430	(6,430)
Transportation	6,511,687	8,749,879	6,086,195	2,663,684
Capital outlay:				
Transportation	-	1,188,227	1,894,752	(706,525)
Debt service				
Principal	141,696	181,473	748,058	(566,585)
Interest	34,830	33,272	33,272	-
Total expenditures	6,688,213	10,152,851	8,768,707	1,384,144
Excess of revenues over expenditures	314,407	(3,150,231)	(1,446,419)	1,703,812
Other Financing Sources (Uses)				
Sale of surplus equipment	-	-	693,239	693,239
Debt proceeds	-	-	797,184	797,184
Transfers out	(1,000,000)	(1,375,500)	(1,375,500)	-
Total other financing sources (uses)	(1,000,000)	(1,375,500)	114,923	1,490,423
Net change in fund balance	(685,593)	(4,525,731)	(1,331,496)	3,194,235
Fund balance, beginning of year	5,702,080	5,702,080	5,702,080	-
Fund balance, end of year	\$ 5,016,487	\$ 1,176,349	\$ 4,370,584	\$ 3,194,235

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

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

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 620,000	\$ 620,000	\$ 833,129	\$ 213,129
Licenses, permits and assessments	6,962,000	6,962,000	7,173,241	211,241
Intergovernmental	700,250	700,250	431,129	(269,121)
Charges for services	-	-	13,210	13,210
Interest	6,000	6,000	-	(6,000)
Miscellaneous	5,000	5,000	-	(5,000)
Total revenues	8,293,250	8,293,250	8,450,709	157,459
EXPENDITURES				
Current operating:				
General government	467,500	411,401	433,506	(22,105)
Public safety	3,428,856	3,461,389	3,513,185	(51,796)
Physical environment	3,495,000	3,238,203	3,262,303	(24,100)
Economic environment	-	-	1,624	(1,624)
Culture/recreation	73,200	45,479	43,797	1,682
Capital outlay:				
Public safety	-	111,092	35,195	75,897
Debt service				
Principal	360,626	360,626	236,051	124,575
Interest	-	-	124,574	(124,574)
Total expenditures	7,825,182	7,628,190	7,650,235	(22,045)
Excess of revenues over expenditures	468,068	665,060	800,474	135,414
Other Financing Uses				
Transfers out	(2,000,000)	(2,000,000)	(2,000,000)	-
Total other financing sources (uses)	(2,000,000)	(2,000,000)	(2,000,000)	-
Net change in fund balance	(1,531,932)	(1,334,940)	(1,199,526)	135,414
Fund balance, beginning of year	10,285,577	10,285,577	10,285,577	-
Fund balance, end of year	\$ 8,753,645	\$ 8,950,637	\$ 9,086,051	\$ 135,414

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

**CLERK OF CIRCUIT COURT OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,064,353	\$ 1,064,353	\$ 1,026,597	\$ (37,756)
Charges for services	433,542	433,542	468,226	34,684
Fines	109,516	109,516	133,884	24,368
Total revenues	1,607,411	1,607,411	1,628,707	21,296
EXPENDITURES				
Current operating:				
General government	814,686	814,686	884,602	(69,916)
Court-related	1,132,816	1,132,816	1,022,343	110,473
Total expenditures	1,947,502	1,947,502	1,906,945	40,557
Excess of revenues over expenditures	(340,091)	(340,091)	(278,238)	61,853
Other Financing Sources				
Transfers in	340,091	340,091	278,238	(61,853)
Total other financing sources	340,091	340,091	278,238	(61,853)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

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, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 119,825	\$ 119,825
Charges for services	-	-	150,680	150,680
Miscellaneous	-	-	49,265	49,265
Total revenues	-	-	319,770	319,770
EXPENDITURES				
Current operating:				
Public safety	11,329,760	11,459,792	11,526,384	(66,592)
Capital outlay:				
Public safety	283,000	521,272	697,619	(176,347)
Total expenditures	11,612,760	11,981,064	12,224,003	(242,939)
Excess of revenues over expenditures	(11,612,760)	(11,981,064)	(11,904,233)	76,831
Other Financing Sources				
Transfers in	11,612,760	11,981,064	11,904,233	(76,831)
Total other financing sources	11,612,760	11,981,064	11,904,233	(76,831)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

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

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,930,100	\$ 1,930,100	\$ 1,162,000	\$ (768,100)
Interest	-	-	1,846	1,846
Total revenues	<u>1,930,100</u>	<u>1,930,100</u>	<u>1,163,846</u>	<u>(766,254)</u>
EXPENDITURES				
Economic environment				
Current operating	257,966	269,251	269,251	-
Capital outlay	780,000	-	-	-
Debt service				
Principal	381,655	431,687	412,134	19,553
Interest	108,143	58,141	77,694	(19,553)
Total expenditures	<u>1,527,764</u>	<u>759,079</u>	<u>759,079</u>	<u>-</u>
Excess of revenues over expenditures	<u>402,336</u>	<u>1,171,021</u>	<u>404,767</u>	<u>(766,254)</u>
Other Financing (Uses)				
Transfers out	-	(300,000)	(300,000)	-
Total other financing (uses)	<u>-</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
Net change in fund balance	<u>402,336</u>	<u>871,021</u>	<u>104,767</u>	<u>(766,254)</u>
Fund balance, beginning of year	<u>1,817,010</u>	<u>1,817,010</u>	<u>1,817,010</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,219,346</u>	<u>\$ 2,688,031</u>	<u>\$ 1,921,777</u>	<u>\$ (766,254)</u>

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

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

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 8,000	\$ 8,000	\$ 6,046	\$ (1,954)
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>6,046</u>	<u>(1,954)</u>
EXPENDITURES				
Transportation				
Current expenditures	20,000	20,000	22,453	(2,453)
Capital outlay	8,450,000	3,310,442	3,307,989	2,453
Total expenditures	<u>8,470,000</u>	<u>3,330,442</u>	<u>3,330,442</u>	<u>-</u>
Excess of revenues over expenditures	<u>(8,462,000)</u>	<u>(3,322,442)</u>	<u>(3,324,396)</u>	<u>(1,954)</u>
Other financing sources				
Debt proceeds	4,470,000	4,470,000	4,470,000	-
Net change in fund balance	<u>(3,992,000)</u>	<u>1,147,558</u>	<u>1,145,604</u>	<u>(1,954)</u>
Fund balance, beginning of year	3,911,582	3,911,582	3,911,582	-
Fund balance, end of year	<u>\$ (80,418)</u>	<u>\$ 5,059,140</u>	<u>\$ 5,057,186</u>	<u>\$ (1,954)</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, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 3,900,607	\$ 3,900,607	\$ -
Interest	-	877	877	-
Total revenues	<u>-</u>	<u>3,901,484</u>	<u>3,901,484</u>	<u>-</u>
EXPENDITURES				
Current operating:				
Transportation	50,000	-	96,290	(96,290)
Capital outlay:				
Transportation	886,608	6,948,081	6,851,789	96,292
Total expenditures	<u>936,608</u>	<u>6,948,081</u>	<u>6,948,079</u>	<u>2</u>
Excess of revenues over expenditures	<u>(936,608)</u>	<u>(3,046,597)</u>	<u>(3,046,595)</u>	<u>2</u>
Other Financing Sources				
Transfers in	-	5,275,500	5,275,500	-
Total other financing sources	<u>-</u>	<u>5,275,500</u>	<u>5,275,500</u>	<u>-</u>
Net change in fund balance	<u>(936,608)</u>	<u>2,228,903</u>	<u>2,228,905</u>	<u>2</u>
Fund balance, beginning of year	<u>1,201,334</u>	<u>1,201,334</u>	<u>1,201,334</u>	<u>-</u>
Fund balance, end of year	<u>\$ 264,726</u>	<u>\$ 3,430,237</u>	<u>\$ 3,430,239</u>	<u>\$ 2</u>

See notes to financial statements.

FUND COMBINING STATEMENTS

COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

September 30, 2013

	Special Revenue Funds													
	Clerk of Courts			Property Appraiser	Sheriff						Supervisor of Elections	Tax Collector	Board of County Commissioners	
	Public Records Modernization	Reserved	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Drug Strike Force	Work Program	Operating	Operating	Community Development Block Grant	Court Reporters
	Trust	10%												
ASSETS														
Current assets														
Cash	\$ 187,338	\$ 220,660	\$ -	\$ 30,734	\$ 15,624	\$ 50,999	\$ 300,074	\$ 285,848	\$ -	\$ 7,702	\$ 19,514	\$ 351,724	\$ -	\$ 49,507
Accounts receivable	14	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	7,209	10,562	2,135	-	-	-	-	-	-	-	-	34,407	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	-	-	190,552	-
Prepaid expense	-	-	-	-	-	-	-	-	-	1,808	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 194,561	\$ 231,222	\$ 2,135	\$ 30,734	\$ 15,624	\$ 50,999	\$ 300,074	\$ 285,848	\$ -	\$ 7,702	\$ 21,322	\$ 386,131	\$ 190,552	\$ 49,507
LIABILITIES AND FUND BALANCES														
LIABILITIES														
Current liabilities														
Accounts payable	\$ 2,576	\$ -	\$ 2,063	\$ -	\$ 445	\$ -	\$ -	\$ -	\$ -	\$ 270	\$ 5,242	\$ 24,193	\$ 30,370	\$ -
Accrued payroll liabilities	-	-	-	-	-	-	12,461	-	-	-	-	2,204	-	-
Due to other funds	-	-	1,326	28,449	-	-	-	-	-	-	9,332	339,913	274,948	-
Due to other governmental units	-	-	-	2,285	-	-	-	-	-	-	-	19,821	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	6,748	-	-	-	-
Total liabilities	2,576	-	3,389	30,734	445	-	12,461	-	-	270	21,322	386,131	305,318	-
FUND BALANCES														
Restricted	191,985	231,222	-	-	15,179	50,999	287,613	285,848	-	7,432	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-	-	-	-	49,507
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(1,254)	-	-	-	-	-	-	-	-	-	(114,766)	-
Total fund balances	191,985	231,222	(1,254)	-	15,179	50,999	287,613	285,848	-	7,432	-	-	(114,766)	49,507
Total liabilities and fund balances	\$ 194,561	\$ 231,222	\$ 2,135	\$ 30,734	\$ 15,624	\$ 50,999	\$ 300,074	\$ 285,848	\$ -	\$ 7,702	\$ 21,322	\$ 386,131	\$ 190,552	\$ 49,507

COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

September 30, 2013

	Special Revenue Funds								Debt Service Fund	Capital Projects	Total Nonmajor Governmental Funds	
	Board of				County Commissioners							
	Court Service	Impact Fees	Industrial Development Authority	Law Enforcement Special	Law Library	Library Enhancement Grant	Local Housing Assistance	Neighborhood Stabilization	Tourist Development Tax	Road Improvement		Paving Assessments
ASSETS												
Cash	\$ 644,528	\$ 293,545	\$ -	\$ 37,289	\$ 2,846	\$ 1,277	\$ 378,809	\$ -	\$ 1,084,349	\$ 1,260,233	\$ 65,960	\$ 5,488,560
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	14
Due from other funds	10,102	-	-	-	-	-	-	-	-	-	-	64,415
Due from other governmental units	-	-	-	-	-	-	-	43,135	60,842	68,967	2	363,498
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-	1,808
Investments	-	-	-	1,453	-	817,868	-	-	49,362	-	-	868,683
Total assets	\$ 854,630	\$ 293,545	\$ -	\$ 38,742	\$ 2,846	\$ 819,145	\$ 378,809	\$ 43,135	\$ 1,194,553	\$ 1,329,200	\$ 65,962	\$ 6,786,978
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current liabilities												
Accounts payable	\$ 12,528	\$ -	\$ -	\$ -	\$ -	\$ 3,751	\$ -	\$ 1,477	\$ 692	\$ -	\$ -	\$ 83,607
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-	-	14,665
Due to other funds	-	-	-	-	-	-	-	68,990	-	-	-	722,958
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	22,106
Revenues collected in advance	-	-	-	-	-	430,889	350,000	-	-	-	-	787,637
Total liabilities	12,528	-	-	-	-	434,640	350,000	70,467	692	-	-	1,630,973
FUND BALANCES												
Restricted	-	293,545	-	38,742	2,846	384,505	28,809	-	1,193,861	-	-	3,012,586
Committed	-	-	-	-	-	-	-	-	-	-	-	49,507
Assigned	842,102	-	-	-	-	-	-	-	-	1,329,200	65,962	2,237,264
Unassigned	-	-	-	-	-	-	-	(27,332)	-	-	-	(143,352)
Total fund balances	842,102	293,545	-	38,742	2,846	384,505	28,609	(27,332)	1,193,861	1,329,200	65,962	5,156,005
Total liabilities and fund balances	\$ 854,630	\$ 293,545	\$ -	\$ 38,742	\$ 2,846	\$ 819,145	\$ 378,809	\$ 43,135	\$ 1,194,553	\$ 1,329,200	\$ 65,962	\$ 6,786,978

**COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

For the Fiscal Year Ending September 30, 2013

Special Revenue Funds

	Clerk of Courts			Property Appraiser	Sheriff					Supervisor of Elections	Tax Collector	Board of County Commissioners		
	Public Records Modernization Trust	Reserved 10%	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Drug Strike Force	Work Program	Operating	Operating	Community Development Block Grant	Court Reporters
REVENUES														
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	3,500	-	-	785	-	4,665	-	98,920	116,126
Charges for services	88,626	-	27,595	88,463	-	-	532,900	-	-	3,172	-	1,759,980	-	-
Fines and forfeitures	-	112,797	-	-	16,617	16,354	-	53,331	-	-	-	-	-	-
Interest income	-	-	-	318	41	55	145	329	37	10	-	281	-	-
Miscellaneous	-	-	-	2,700	-	-	17	4,684	-	-	13,466	6,301	-	-
Total revenues	88,626	112,797	27,595	91,481	16,658	19,909	533,062	58,344	622	3,182	18,131	1,766,562	98,920	116,126
EXPENDITURES														
Current Expenditures														
General government	80,123	-	-	1,190,728	-	-	-	-	-	-	621,289	1,418,661	-	-
Public safety	-	-	-	-	46,086	-	239,890	9,000	900	2,537	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	992	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Court - related	25,219	45,905	25,701	-	-	-	-	-	-	-	-	-	-	112,914
Capital outlay														
General government	-	-	-	8,967	-	-	-	-	-	-	1,300	7,988	-	-
Public safety	-	-	-	-	-	4,434	27,419	17,741	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	212,695	-
Court - related	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service														
Principal	-	-	-	-	-	-	-	-	-	-	11,161	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	839	-	-	-
Total expenditures	85,342	45,905	25,701	1,199,693	46,086	4,434	267,309	26,741	900	2,537	634,569	1,426,649	213,687	112,914
Excess of revenues over (under) expenditures	3,284	66,892	1,894	(1,108,212)	(29,428)	15,475	265,753	31,603	(78)	645	(616,438)	339,913	(114,767)	3,212
OTHER FINANCING SOURCES (USES)														
Interfund transfers in	-	-	-	1,108,212	-	-	-	-	-	-	616,438	-	-	-
Interfund transfers out	-	-	-	-	-	-	-	-	-	-	-	(339,913)	-	-
Total other financing sources (uses)	-	-	-	1,108,212	-	-	-	-	-	-	616,438	(339,913)	-	-
Net change in fund balances	3,284	66,892	1,894	-	(29,428)	15,475	265,753	31,603	(78)	645	-	-	(114,767)	3,212
Fund balances beginning of year	188,701	164,330	(3,148)	-	44,607	35,524	21,860	254,245	78	6,787	-	-	1	46,295
Fund balances end of year	\$ 191,985	\$ 231,222	\$ (1,254)	\$ -	\$ 15,179	\$ 50,999	\$ 287,613	\$ 285,848	\$ -	\$ 7,432	\$ -	\$ -	\$ (114,766)	\$ 49,507

**COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

For the Fiscal Year Ending September 30, 2013

	Special Revenue Funds							Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds		
	Court Service	Impact Fees	Industrial Development Authority	Board of County Commissioners		Local Housing Assistance	Neighborhood Stabilization	Tourist Development Tax	Road Improvement		Paving Assess- ments	
				Law Enforcement Special	Law Library							Library Enhancement Grant
REVENUES												
Taxes	\$ 190,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 728,631	\$ 700,678	\$ -	\$ 1,619,309	
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	34,242	34,242	
Intergovernmental revenue	-	-	-	-	-	27,906	645,964	28,473	-	-	926,339	
Charges for services	137,669	-	-	-	-	-	-	-	-	-	2,638,405	
Fines and forfeitures	-	-	-	6,327	-	-	-	-	-	-	205,426	
Interest income	867	248	-	43	-	85	-	1,005	783	59	4,306	
Miscellaneous	-	-	-	-	-	6,000	-	20,450	-	-	53,618	
Total revenues	328,536	248	-	6,370	-	33,991	645,964	778,559	701,461	34,301	5,481,645	
EXPENDITURES												
Current Expenditures												
General government	17,000	-	-	-	175	-	-	-	-	685	3,308,639	
Public safety	-	-	-	10,000	-	-	-	-	-	-	308,413	
Economic environment	-	-	-	-	-	54,867	48,504	536,764	-	-	641,127	
Culture/recreation	-	-	-	-	-	706,268	-	15,000	-	-	721,288	
Court - related	359,748	-	-	-	-	-	-	-	-	-	569,487	
Capital outlay												
General government	-	-	-	-	-	-	-	-	-	-	18,255	
Public safety	-	-	-	-	-	-	-	-	-	-	49,594	
Economic environment	-	-	-	-	-	-	624,792	23,150	-	-	860,637	
Court - related	-	-	-	-	-	-	-	-	-	-	-	
Debt service												
Principal	-	-	-	-	-	-	-	-	-	-	11,161	
Interest	-	-	-	-	-	-	-	-	-	-	839	
Total expenditures	376,748	-	-	10,000	175	706,268	54,867	673,296	574,914	685	6,489,420	
Excess of revenues over (under) expenditures	(48,212)	248	-	(3,630)	(175)	(706,268)	(20,876)	(27,332)	203,645	701,461	33,616	(1,007,775)
OTHER FINANCING SOURCES (USES)												
Interfund transfers in	-	-	-	-	-	-	-	-	-	-	1,724,650	
Interfund transfers out	-	-	-	(22,950)	-	-	-	-	(1,900,000)	-	(2,262,863)	
Total other financing sources (uses)	-	-	-	(22,950)	-	-	-	-	(1,900,000)	-	(538,213)	
Net change in fund balances	(48,212)	248	-	(26,580)	(175)	(706,268)	(20,876)	(27,332)	203,645	(1,198,539)	33,616	(1,545,988)
Fund balances beginning of year	890,314	293,297	-	65,322	3,021	1,090,773	49,665	990,216	2,527,739	32,346	6,701,993	
Fund balances end of year	\$ 842,102	\$ 293,545	\$ -	\$ 38,742	\$ 2,846	\$ 384,505	\$ 28,809	\$ (27,332)	\$ 1,193,861	\$ 1,329,200	\$ 65,962	\$ 5,156,005

**COLUMBIA COUNTY FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
September 30, 2013**

	Clerk's Trust	Employee Sunshine	Domestic Relations	Jury Witness	Defender Occupancy Trust	Individual Depositors	Inmate Welfare	Donation Trust	Evidence Trust	Tag Agency	Ad Valorem Tax Agency	Totals
ASSETS												
Cash	\$ 1,040,455	\$ 404	\$ 1,587	\$ 7,463	\$ 20,389	\$ 7,681	\$ 350,540	\$ 12,984	\$ 54,605	\$ 215,944	\$ 2,079,341	\$ 3,791,393
Accounts receivable	13,459	-	-	-	-	-	80,993	-	-	-	-	94,452
Due from other funds	117	-	-	-	-	-	-	-	-	-	-	117
Total assets	\$ 1,054,031	\$ 404	\$ 1,587	\$ 7,463	\$ 20,389	\$ 7,681	\$ 431,533	\$ 12,984	\$ 54,605	\$ 215,944	\$ 2,079,341	\$ 3,885,962
LIABILITIES												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30	\$ 2,957	\$ 2,987
Cash bond liability	48,126	-	-	-	-	-	-	-	-	-	-	48,126
Court fees payable	259,699	-	-	-	-	-	-	-	-	-	-	259,699
Deposits held in escrow	132,103	-	-	-	-	-	6,668	-	-	-	-	138,771
Due to other funds	196,386	-	-	-	-	6,181	-	-	-	-	100,562	303,129
Due to other governmental units	305,725	-	1,587	7,463	20,389	-	-	-	-	212,225	1,744,000	2,291,389
Interest payable	-	-	-	-	-	-	-	-	-	45	-	45
Tax deeds payable	85,675	-	-	-	-	-	-	-	-	-	175,512	261,187
Other current liabilities	26,317	404	-	-	-	1,500	424,865	12,984	54,605	3,644	56,310	580,629
Total liabilities	1,054,031	404	1,587	7,463	20,389	7,681	431,533	12,984	54,605	215,944	2,079,341	3,885,962
NET POSITION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

SINGLE AUDIT AND COMPLIANCE SECTION

**INDEPENDENT AUDITORS' 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, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Florida, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise **Columbia County, Florida's basic financial statements**, and have issued our report thereon dated May 28, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **Columbia County, Florida's internal control over financial reporting (internal control)** to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **Columbia County, Florida's internal control**. Accordingly, we do not express an opinion on the effectiveness of **Columbia County, Florida's internal control**.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a **material misstatement of the entity's financial statements** will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

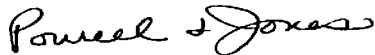
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Columbia County, Florida's financial statements are free from 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*. However, we noted certain matters that we reported to the management of Columbia County in a letter dated May 28, 2014 on page 90.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



POWELL & JONES
Certified Public Accountants
May 28, 2014

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL, OFFICE OF THE AUDITOR GENERAL

**To the Board of County Commissioners
and Constitutional Officers
Columbia County, Florida**

Report on Compliance for Each Major State Project

We have audited the compliance of Columbia County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2013. **Columbia County, Florida's major State project is identified in the summary of auditors' results section of the accompanying Schedule of Findings.**

Management's Responsibility

Columbia County, Florida's management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major State project.

Auditors' Responsibility

Our responsibility is to express an opinion on **Columbia County, Florida's compliance** for each major State Project based on our audit of the types of compliance requirements referred to above. 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 State of Florida, Office of the Auditor General. Those standards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State 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 on compliance for each major State Project. However, our audit does not provide a legal determination of **Columbia County, Florida's compliance.**

Opinion on Each Major State Project

In our opinion, Columbia County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State projects for the fiscal year ended September 30, 2013.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with Chapter 10.550, Rules of the State of Florida, Office of the Auditor General.

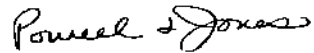
Internal Control Over Compliance

Management of Columbia County, Florida is responsible for establishing and maintaining effective internal control over the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Columbia County, **Florida's internal control over compliance with the types of requirements that could have a direct and material effect on a major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State Project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Columbia County, Florida's internal control over compliance.**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State project on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State Project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Pursuant to Chapter 119, *Florida Statutes*, this report is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of Columbia **County, Florida's management, State awarding agencies and pass-through** entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "Powell & Jones".

POWELL & JONES, CPAs
May 28, 2014

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

**To the Board of County Commissioners
and Constitutional Officers
Columbia County, Florida**

Report on Compliance for Each Major Federal Program

We have audited Columbia County, Florida's compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Columbia County, Florida's major federal programs for the fiscal year ended September 30, 2013. Columbia County, Florida's major federal programs are identified in the summary of **Auditors'** results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Columbia County, Florida's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Columbia County, Florida's compliance.

Opinion on Each Major Federal Program

In our opinion, Columbia County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133.

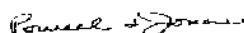
Report on Internal Control Over Compliance

Management of Columbia County, Florida is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered **Columbia County, Florida's internal control over compliance with the types of requirements** that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Columbia County, Florida's internal control over compliance.**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



POWELL & JONES
Certified Public Accountants
May 28, 2014

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2013

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2013
FEDERAL AWARDS								
MAJOR PROGRAMS								
<i>Federal Emergency Management Agency passed through Florida Department of Community Affairs Tropical Storm Debby</i>								
	97.036	13-DB-73-03-22-02-531	\$ 3,865,851	\$ -	\$ -	\$ 3,865,851	\$ 3,865,851	\$ -
<i>U.S. Department of Housing and Urban Development passed through Florida Department of Community Affairs</i>								
Neighborhood Stabilization Program	14.228	12DB-Q5-03-22-01-F-04	1,029,844	10,728	-	645,965	645,965	-
Small Cities Community Development Block Grant	14.228	11DB-L4-03-22-01-H-20	750,000	303,036	-	98,920	98,920	-
Total U.S. Department of Housing and Urban Development			1,779,844	313,764	-	744,885	744,885	-
Total major programs			5,645,695	313,764	-	4,610,736	4,610,736	-
NONMAJOR PROGRAMS								
<i>U.S. Department of the Interior, Fish, Wildlife Service passed through the Florida Fish and Wildlife Conservation Commission</i>								
Sport Fish Restoration-Boat Access Program - Cone Bridge Boat Ramp	15.605	10236	46,277	-	-	46,277	46,277	-
Sport Fish Restoration-Boat Access Program - Bible Camp Boat Ramp	15.605	10237	30,735	-	-	30,375	30,375	-
Total U.S. Department of the Interior, Fish, Wildlife Service			77,012	-	-	76,652	76,652	-
<i>U.S. Department of Justice</i>								
<i>U.S. Drug Enforcement Administration passed through the Office of Agricultural Law Enforcement</i>								
Domestic Marijuana Eradication Program	16.004	N/A	3,500	-	-	3,500	3,500	-
<i>passed through Florida Department of Children and Families</i>								
Stop Violence Against Women Grant	16.588	LN917	84,262	21,066	-	63,196	63,196	-
<i>Bureau of Justice Assistance/Office of Criminal Justice Grants</i>								
Bulletproof Vest Grant	16.607	FY2012	11,016	-	-	9,721	9,721	-
<i>passed through Florida Department of Law Enforcement</i>								
E. Byrne Memorial Justice Assistance Grant	16.738	2012-DJ-BX-0268	13,575	-	-	13,575	13,575	-
E. Byrne Memorial Justice Assistance Grant	16.738	2013-JAGC-COLU-2-D7-206	33,332	-	-	33,332	33,332	-
Total U.S. Department of Justice			145,685	21,066	-	123,324	123,324	-

(Continued)

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2013

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2013
Federal Environmental Protection Agency								
<i>passed through Florida Department of Environmental Protection</i>								
Capitalization Grant for Clean Water State Revolving Funds	66.458	WW74202P	\$ 536,867	\$ 536,867	\$ -	\$ -	\$ -	\$ -
Capitalization Grant for Drinking Water State Revolving Funds	66.468	DW120101	1,241,266	906,797	-	-	-	-
Capitalization Grant for Drinking Water State Revolving Funds	66.468	DW120400	1,360,903	1,320,516	-	40,387	40,387	-
Total Federal Environmental Protection Agency			3,139,036	2,764,180	-	40,387	40,387	-
U.S. Elections Assistance Commission								
<i>Help America Vote Act</i>								
<i>passed through State of Florida Division of Elections</i>								
Federal Elections Activities Grant	90.401	FY2012-2013	8,765	-	-	8,765	8,765	-
U.S. Department of Health and Human Services								
<i>passed through the Florida Department of Revenue</i>								
Title IV-D Grant Incentive Funds	93.563	FY2012-2013	99,725	-	-	99,725	99,725	-
<i>passed through State of Florida Division of Elections</i>								
Polling Place Accessibility Grant Funds	93.617	FY2012-2013	2,647	-	-	2,647	2,647	-
Total U.S. Department of Health and Human Services			102,372	-	-	102,372	102,372	-
U.S. Department of Homeland Security								
<i>passed through the Florida Division of Emergency Management</i>								
Emergency Management Performance Grant	97.042	13-FG-86-03-22-01-079	50,972	-	-	50,972	50,972	-
State Homeland Security Grant Program	97.067	12-DS-20-03-22-01-384	20,000	-	-	20,000	20,000	-
Total U.S. Department of Homeland Security			70,972	-	-	70,972	70,972	-
Total nonmajor programs			3,543,842	2,785,246	-	422,472	422,472	-
Total federal awards			\$ 9,189,537	\$ 3,099,010	\$ -	\$ 5,033,208	\$ 5,033,208	\$ -

(Continued)

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2013

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2013
STATE FINANCIAL ASSISTANCE								
MAJOR PROGRAMS								
<i>Florida Department of Transportation</i>								
Academic - Small County Outreach Program	55.009	426040-1-58-01	\$ 936,608	\$ 29,056	\$ -	\$ 907,552	\$ 907,552	\$ -
Falling Creek - Small County Outreach Program	55.009	424328-1-58-01	1,465,800	50,564	-	1,415,236	1,415,236	-
Plnemouth - Small County Outreach Program	55.009	430723-1-58-01	1,120,000	-	-	1,120,000	1,120,000	-
CR 252 - Small County Outreach Program	55.009	431936-1-58-01	397,125	-	-	397,125	397,125	-
Total Florida Department of Transportation			3,919,533	79,620	-	3,839,913	3,839,913	-
Total major programs			3,919,533	79,620	-	3,839,913	3,839,913	-
NONMAJOR PROGRAMS:								
<i>Division of Emergency Management</i>								
Emergency Management Programs	31.063	13-BG-83-03-22-01-012	105,806	-	-	94,252	94,252	-
<i>Department of Environmental Protection</i>								
Small County Solid Waste Grant Agreement	37.012	304SC	70,588	-	-	70,588	70,588	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP6025	1,200,000	717,334	-	-	-	-
Total Department of Environmental Protection			1,270,588	717,334	-	70,588	70,588	-
<i>Department of Economic Opportunity</i>								
Growth Management Implementation Technical Assistance	40.024	N/A	40,000	-	-	12,000	12,000	-
<i>Department of Agriculture and Consumer Services</i>								
Arthropod Mosquito Control State Aid	42.003	FDACS Contract #18761	18,500	-	-	18,500	18,500	-
<i>Division of Library Information Services</i>								
State Aid to Libraries Operating/Equalization Grant	45.030	10-ST-13	502,468	502,468	490,478	490,478	490,478	-
State Aid to Libraries Operating/Equalization Grant	45.030	11-ST-13	594,062	169,349	424,713	215,116	215,116	209,597
State Aid to Libraries Operating/Equalization Grant	45.030	12-ST-13	235,497	-	-	-	-	235,497
	45.030	13-ST-09	212,605	-	-	17,213	-	195,389
Total Division of Library Information Services			1,544,632	671,817	915,191	722,807	705,594	640,483

(Continued)

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2013

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	DEFERRED REVENUES 9/30/2013
<i>Florida Housing Finance Corporation</i>								
<i>State Housing Initiatives Program</i>								
SHIP Funds 2013	52.901	FY 2012/13	\$ 27,906	\$ -	\$ -	\$ 27,906	\$ 27,906	\$ -
SHIP Funds 2014	52.901	FY 2013/14	350,000	-	-	-	-	350,000
Total Florida Housing Finance Corporation			377,906	-	-	27,906	27,906	350,000
<i>Department of Health</i>								
Emergency Medical Services County Grant Program	64.003	C0012	66,855	52,511	14,344	14,344	14,344	-
Emergency Medical Services County Grant Program	64.003	C1012	16,795	-	-	16,795	16,795	-
Total Department of Health			83,650	52,511	14,344	31,139	31,139	-
<i>Florida Department of Law Enforcement</i>								
Regional Drug Enforcement Strike Force Grant	N/A	N/A	107,101	8,652	98,449	785	785	-
<i>Florida E911 Board</i>								
911 Maintenance	N/A	12-10-4	53,061	-	-	53,061	53,061	-
911 Equipment Backup System	N/A	S5-12-12-09	41,732	-	-	40,752	40,752	-
911 Equipment	N/A	13-5-33	20,729	-	-	20,729	20,729	-
911 System Maintenance	N/A	13-4-4	2,827	-	-	2,827	2,827	-
Total Florida E911 Board			118,349	-	-	117,369	117,369	-
Total nonmajor programs			3,666,532	1,450,314	1,027,984	1,095,346	1,078,133	990,483
Total state financial assistance			\$ 7,586,065	\$ 1,529,934	\$ 1,027,984	\$ 4,935,259	\$ 4,918,046	\$ 990,483

See notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

COLUMBIA COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2013

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.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2013

Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
97.036	Federal Emergency Management Agency Tropical Storm Debby
14.228	U.S. Department of Housing and Urban Development Neighborhood Stabilization Program Small Cities Community Development Block Grant

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

Financial Statement Findings

None

Federal Award Findings and Questioned Costs

None

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2013

State Financial Assistance

Internal control over major projects:

- **Material weakness identified?** No
- **Significant deficiencies identified not considered to be material weaknesses?** None reported

Type of auditor's report issued on compliance for major projects: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, *Rules of the Auditor General*? No

CSFA Number
55.009

Name of State Programs
Small County Road Outreach Program

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

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 Columbia County, Florida, as of and for the year ended September 30, 2013, and have issued our report thereon dated May 28, 2014.

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 Federal Awards Program and State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated May 28, 2014, 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

2012-1

Grant Administration – From our audit of the various grant programs administered by Board departments, in the prior and current years, we found that generally it was difficult to document grant compliance and identify specific grant expenditures due to grant information being maintained in more than one location. This generally arises when grant administration and reporting is performed by the recipient department, but financial accounting is maintained in the **Board's Finance Office**. To improve overall grant administration and accountability, we again recommend that the Board evaluate the feasibility of designating an appropriate employee for **centralized management of the Board's grants**. Such an employee would be responsible for monitoring grant applications, interim reporting and coordination between the Finance Office and the various recipient Board departments.

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

CURRENT YEAR FINDINGS

2013-1

Stale Dated Checks – From our audit procedures, we found where approximately forty-six stale-dated Board issued checks totaling \$15,350 were written off and recorded as miscellaneous income of the General Fund. Section 717.1035, *Florida Statutes*, requires that such unclaimed funds in excess of three years be remitted to the State as abandoned property rather than being written off. We recommend that the Board review the handling of these checks and take appropriate corrective actions.

2013-2

Road and Street Capitalization Policy – From our audit procedures relating to road construction projects, we found that generally all construction-related expenditures are classified as “capital outlay” rather than being differentiated as “repairs and maintenance” or “capital outlay”. We could not find where the Board has a policy defining criteria for the capitalization of road projects. We recommend that such a policy be developed utilizing State of Florida Department of Transportation guidelines or similar standards.

2013-3

Travel Documentation – From our audit of travel-related disbursements, we found several instances where meeting agendas were not included with the travel vouchers as required by Board policies and Section 112.061, *Florida Statutes*. Due to the fact that meal allowances and departure and arrival dates and times are subject to verification by meeting agendas we recommend that a procedure be established to require this documentation for all affected travel reimbursements.

2013-4

Investments - During the year the Clerk to the Board placed County surplus funds in portfolios of two commercial banks that contained corporate commercial debt instruments as well as federal securities. The Board's investment policy contained in Chapter 2, Article V, Division 3 of the Code of Ordinances provides that County funds may only be invested in instruments authorized by Section 218.40, *Florida Statutes*. Such instruments do not include corporate commercial debt. We recommend that the Board take appropriate action to amend this investment policy or direct the Clerk to realign the investments to only include approved investments.

CLERK OF THE CIRCUIT COURT

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

PROPERTY APPRAISER

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SHERIFF

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

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, 2013.

Investment of Public Funds - The County was not fully in compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the fiscal year. See Finding 2013-4 above.

Financial Emergency Status - We determined that the County had not met any of conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(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, 2013, 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.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
May 28, 2014

CLERK OF THE CIRCUIT COURT

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2013

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Powell & Jones
Certified Public Accountants

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Honorable Clerk of the Circuit Court
Columbia County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Columbia County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements .

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Clerk of the Circuit Court is part of the reporting entity, Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

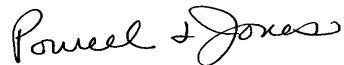
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Clerk of the Circuit Court, as of September 30, 2013, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 13, 2014, on our consideration of the Clerk of the Circuit Court' 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* in considering the Clerk of the Circuit Court' internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
May 13, 2014

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 2013

	Governmental Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Current assets				
Cash	\$ 102,355	\$ 408,000	\$ 1,070,297	\$ 1,580,652
Accounts receivable	245	14	13,460	13,719
Due from other funds	134,731	18,579	117	153,427
Due from other governmental units	21,126	-	-	21,126
Total assets	\$ 258,457	\$ 426,593	\$ 1,083,874	\$ 1,768,924
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 503	\$ 4,640	\$ -	\$ 5,143
Due to individuals	-	-	457,215	457,215
Due to other funds	117	-	153,310	153,427
Due to Board of County Commissioners	58,367	-	44,403	102,770
Due to other governmental units	61,032	-	313,360	374,392
Deposits	-	-	77,387	77,387
Deferred revenue	138,438	-	-	138,438
Other current liabilities	-	-	38,199	38,199
Total liabilities	\$ 258,457	\$ 4,640	\$ 1,083,874	\$ 1,346,971
FUND BALANCES				
Restricted	-	421,953	-	421,953
Total fund balances	-	421,953	-	421,953
Total liabilities and fund balances	\$ 258,457	\$ 426,593	\$ 1,083,874	\$ 1,768,924

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT

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

For the Fiscal Year Ended September 30, 2013

	General Fund	Special Revenue Funds	Totals (Memorandum Only)
REVENUES			
Intergovernmental	\$ 1,026,597	\$ -	\$ 1,026,597
Charges for services	468,226	116,221	584,447
Fines and forfeitures	133,884	112,797	246,681
Total revenues	<u>1,628,707</u>	<u>229,018</u>	<u>1,857,725</u>
EXPENDITURES			
Current expenditures			
General government	884,602	25,219	909,821
Court related	1,022,343	131,729	1,154,072
Total expenditures	<u>1,906,945</u>	<u>156,948</u>	<u>2,063,893</u>
Excess of revenues over (under) expenditures	<u>(278,238)</u>	<u>72,070</u>	<u>(206,168)</u>
OTHER FINANCING SOURCES			
Transfer from Board of County Commissioners	278,238	-	278,238
Total other financing sources	<u>278,238</u>	<u>-</u>	<u>278,238</u>
Net change in fund balance	-	72,070	72,070
Fund balance at beginning of year	-	349,883	349,883
Fund balance at end of year	<u>\$ -</u>	<u>\$ 421,953</u>	<u>\$ 421,953</u>

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 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, 2013

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ 1,064,353	\$ 1,026,597	\$ (37,756)	\$ -	\$ -	\$ -
Charges for services	433,542	468,226	34,684	112,000	116,221	4,221
Fines and forfeitures	109,516	133,884	24,368	110,000	112,797	2,797
Total revenues	<u>1,607,411</u>	<u>1,628,707</u>	<u>21,296</u>	<u>222,000</u>	<u>229,018</u>	<u>7,018</u>
EXPENDITURES						
Current expenditures						
General government	867,965	884,602	(16,637)	28,000	25,219	2,781
Court related	1,079,537	1,022,343	57,194	162,000	131,729	30,271
Total expenditures	<u>1,947,502</u>	<u>1,906,945</u>	<u>40,557</u>	<u>190,000</u>	<u>156,948</u>	<u>33,052</u>
Excess of revenues over (under) expenditures	<u>(340,091)</u>	<u>(278,238)</u>	<u>61,853</u>	<u>32,000</u>	<u>72,070</u>	<u>40,070</u>
OTHER FINANCING SOURCES (USES)						
Transfers from Board of County Commissioners	321,509	278,238	(43,271)	-	-	-
Interfund transfers in	18,582	-	(18,582)	-	-	-
Interfund transfers out	-	-	-	(18,582)	-	18,582
Total other financing sources (uses)	<u>340,091</u>	<u>278,238</u>	<u>(61,853)</u>	<u>(18,582)</u>	<u>-</u>	<u>18,582</u>
Net change in fund balances	-	-	-	13,418	72,070	58,652
Fund balance at beginning of year	-	-	-	349,883	349,883	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 363,301</u>	<u>\$ 421,953</u>	<u>\$ 58,652</u>

See notes to financial statements.

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

September 30, 2013

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, 2013, the Clerk maintained the following Special Revenue Funds:

- Public Records Modernization Trust Fund
- Teen Court Fund
- Reserved 10% Fines 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.

- Trust
- Employee Sunshine Fund
- Domestic Relations
- Jury and Witness
- Public Defender Occupancy 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 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, 2013, the book balance of the Clerk's deposits was \$1,580,652. The bank balance was \$1,580,352. 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, \$106,591, 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 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 non-contributory through June 30, 2011. Effective July 2011, employees are required to contribute 3% of their gross wages. The Clerk is required to contribute at an actuarially determined rate. The rates at September 30, 2013 were as follows: Regular Employees 6.95%; Senior Management 18.31%; Elected Officials 33.03%, and employees electing the DROP Program 12.84%. 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, 2013, 2012 and 2011 were \$102,851, \$78,287, and \$151,985, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2013, were:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 134,731	\$ 117
Reserved 10% Fines	9,236	-
Public Records Modernization Trust	7,209	-
Teen Court	2,134	-
Trust	117	153,310
	<u>\$ 153,427</u>	<u>\$ 153,427</u>

NOTE 5. RELATED PARTY TRANSACTIONS

The Clerk's office utilizes a collection service in which a relative of the Clerk has a management position. 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 \$43,727 for the year ended September 30, 2013 from a total of \$108,788 in delinquent collections.

NOTE 6. LEASE COMMITMENTS

The Clerk has various leases for equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the total year totaled \$60,435. Future minimum lease payments for these leases are as follows:

<u>Year Ending September 30,</u>	<u>Minimum Lease Payments</u>
2014	\$ 59,601
2015	56,053
2016	52,579
2017	13,354
	<u>\$ 181,587</u>

NOTE 7. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2013, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the governing body. Commitments may be established, modified, or rescinded only through resolutions approved by the governing body.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Clerk.

Unassigned - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2013:

	Classification					Total
	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>	
Public Records						
Modernization Trust	\$ -	\$ 191,985	\$ -	\$ -	\$ -	\$ 191,985
Teen Court	-	(1,254)	-	-	-	(1,254)
Reserved 10% Fines	-	231,222	-	-	-	231,222
	<u>\$ -</u>	<u>\$ 421,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421,953</u>

NOTE 8. FUND EQUITY DEFICITS

The following governmental fund had a deficit in fund balances at September 30, 2013:

Teen Court	<u>\$ (1,254)</u>
Total	<u>\$ (1,254)</u>

COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
GENERAL FUND
BALANCE SHEET

September 30, 2013

ASSETS

Current assets	
Cash	\$ 102,355
Accounts receivable	245
Due from other funds	134,731
Due from other governmental units	<u>21,126</u>
Total assets	<u>\$ 258,457</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities	
Accounts payable	\$ 503
Due to other funds	117
Due to Board of County Commissioners	58,367
Due to other governmental units	61,032
Deferred Revenue	<u>138,438</u>
Total liabilities	<u>258,457</u>

FUND BALANCE

Unreserved	-
Total liabilities and fund balance	<u>\$ 258,457</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
Federal grants				
IV - D grant	\$ 75,000	\$ 75,000	\$ 89,819	\$ 14,819
State grants				
State Court reimbursement	989,353	989,353	936,778	(52,575)
Total intergovernmental revenue	<u>1,064,353</u>	<u>1,064,353</u>	<u>1,026,597</u>	<u>(37,756)</u>
General government				
Charges for services				
Noncourt charges for services				
Recording	135,000	135,000	125,807	(9,193)
Documentary stamp commissions	8,500	8,500	7,171	(1,329)
Marriage licenses fees and charges	21,000	21,000	16,377	(4,623)
Passports	22,000	22,000	16,271	(5,729)
Copies	20,000	20,000	16,419	(3,581)
Other charges	8,500	8,500	22,294	13,794
Total general government	<u>215,000</u>	<u>215,000</u>	<u>204,339</u>	<u>(10,661)</u>
Court related				
Court related charges for services				
Circuit Criminal	12,639	12,639	16,399	3,760
Circuit Civil	60,000	60,000	68,855	8,855
County Criminal	12,916	12,916	16,712	3,796
County Civil	49,000	49,000	61,381	12,381
Traffic	76,496	76,496	89,493	12,997
Juvenile	350	350	441	91
Probate	7,141	7,141	10,606	3,465
Total court related charges for services	<u>218,542</u>	<u>218,542</u>	<u>263,887</u>	<u>45,345</u>
Fines and forfeitures				
Court related fines and forfeitures				
Circuit Criminal	15,361	15,361	19,932	4,571
County Criminal	30,651	30,651	39,658	9,007
Traffic	63,504	63,504	74,294	10,790
Total court related fines and forfeitures	<u>109,516</u>	<u>109,516</u>	<u>133,884</u>	<u>24,368</u>
Total court related revenues	<u>328,058</u>	<u>328,058</u>	<u>397,771</u>	<u>69,713</u>
Total revenues	<u>\$ 1,607,411</u>	<u>\$ 1,607,411</u>	<u>\$ 1,628,707</u>	<u>\$ 21,296</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
EXPENDITURES				
Board of County Commissioners				
Personal services	\$ 319,709	\$ 319,709	\$ 322,073	\$ (2,364)
Operating expenses	1,800	1,800	654	1,146
Total Board of County Commissioners	<u>321,509</u>	<u>321,509</u>	<u>322,727</u>	<u>(1,218)</u>
Other general government				
Personal services	237,303	237,303	262,535	(25,232)
Operating expenses	18,000	18,000	15,243	2,757
Total other general government	<u>255,303</u>	<u>255,303</u>	<u>277,778</u>	<u>(22,475)</u>
Clerk administration				
Personal services	231,459	231,459	258,279	(26,820)
Operating expenses	6,415	6,415	9,920	(3,505)
Total Clerk administration	<u>237,874</u>	<u>237,874</u>	<u>268,199</u>	<u>(30,325)</u>
Jury Management				
Personal services	31,024	31,024	32,698	(1,674)
Operating expenses	16,124	16,124	26,709	(10,585)
Total jury management	<u>47,148</u>	<u>47,148</u>	<u>59,407</u>	<u>(12,259)</u>
Circuit Criminal				
Personal services	203,771	203,771	197,139	6,632
Operating expenses	8,703	8,703	10,439	(1,736)
Total circuit criminal	<u>212,474</u>	<u>212,474</u>	<u>207,578</u>	<u>4,896</u>
Circuit Civil				
Personal services	108,010	108,010	99,165	8,845
Operating expenses	4,360	4,360	4,135	225
Total circuit civil	<u>112,370</u>	<u>112,370</u>	<u>103,300</u>	<u>9,070</u>
Foreclosure				
Personal services	5,179	5,179	-	5,179
Total foreclosure	<u>5,179</u>	<u>5,179</u>	<u>-</u>	<u>5,179</u>
Circuit Family				
Personal services	93,992	93,992	73,860	20,132
Operating expenses	4,708	4,708	9,492	(4,784)
Total circuit family	<u>\$ 98,700</u>	<u>\$ 98,700</u>	<u>\$ 83,352</u>	<u>\$ 15,348</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Circuit Juvenile				
Personal services	\$ 58,052	\$ 58,052	\$ 47,417	\$ 10,635
Operating expenses	2,487	2,487	4,169	(1,682)
Total circuit juvenile	60,539	60,539	51,586	8,953
Circuit Probate				
Personal services	34,901	34,901	34,750	151
Operating expenses	1,658	1,658	1,765	(107)
Total circuit probate	36,559	36,559	36,515	44
Information Technology				
Personal services	52,279	52,279	13,938	38,341
Operating expenses	1,000	1,000	1,960	(960)
Total information technology	53,279	53,279	15,898	37,381
County Criminal				
Personal services	180,282	180,282	179,471	811
Operating expenses	8,289	8,289	11,251	(2,962)
Total county criminal	188,571	188,571	190,722	(2,151)
County Civil				
Personal services	86,630	86,630	81,647	4,983
Operating expenses	3,514	3,514	3,847	(333)
Total county civil	90,144	90,144	85,494	4,650
County Traffic				
Personal services	218,735	218,735	196,490	22,245
Operating services	9,118	9,118	7,899	1,219
Total county traffic	227,853	227,853	204,389	23,464
Total expenditures	1,947,502	1,947,502	1,906,945	40,557
Excess of revenues over (under) expenditures	(340,091)	(340,091)	(278,238)	61,853
Other financing sources				
Transfers from Board of County Commissioners	321,509	321,509	278,238	(43,271)
Transfers from other funds	18,582	18,582	-	(18,582)
Total other financing sources	340,091	340,091	278,238	(61,853)
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

SPECIAL REVENUE FUNDS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

September 30, 2013

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
ASSETS				
Current assets				
Cash	\$ 187,338	\$ (1,324)	\$ 221,986	\$ 408,000
Accounts receivable	14	-	-	14
Due from other funds	7,209	2,134	9,236	18,579
Total assets	<u>\$ 194,561</u>	<u>\$ 810</u>	<u>\$ 231,222</u>	<u>\$ 426,593</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 2,576	\$ 2,064	\$ -	\$ 4,640
Total liabilities	<u>2,576</u>	<u>2,064</u>	<u>-</u>	<u>4,640</u>
FUND BALANCES				
Restricted	191,985	(1,254)	231,222	421,953
Total fund balances	<u>191,985</u>	<u>(2,508)</u>	<u>231,222</u>	<u>420,699</u>
Total liabilities and fund balances	<u>\$ 194,561</u>	<u>\$ 810</u>	<u>\$ 231,222</u>	<u>\$ 426,593</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2013

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
REVENUES				
Charges for services				
General Government				
Recording of legal instruments	\$ 88,626	\$ -	\$ -	\$ 88,626
Court related	-	27,595	-	27,595
Fines and forfeitures	-	-	112,797	112,797
Total revenues	88,626	27,595	112,797	229,018
EXPENDITURES				
General Government				
Financial and administrative				
Operating expenses	25,219	-	-	25,219
Total general government	25,219	-	-	25,219
Court related				
Judicial				
Personnel services	39,669	-	-	39,669
Operating expenses	20,454	25,701	45,905	92,060
Total court related	60,123	25,701	45,905	131,729
Total expenditures	85,342	25,701	45,905	156,948
Excess of revenues over (under) expenditures	3,284	1,894	66,892	72,070
Net change in fund balances	3,284	1,894	66,892	72,070
Fund balances at beginning of year	188,701	(3,148)	164,330	349,883
Fund balances at end of year	\$ 191,985	\$ (1,254)	\$ 231,222	\$ 421,953

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT

AGENCY FUNDS

COMBINING BALANCE SHEET

September 30, 2013

	Clerk Trust	Employee Sunshine	Domestic Relations	Jury and Witness	Public Defender Occupancy Trust	Totals
ASSETS						
Cash	\$ 1,040,455	\$ 404	\$ 1,586	\$ 7,463	\$ 20,389	\$ 1,070,297
Accounts receivable	13,460	-	-	-	-	13,460
Due from other funds	117	-	-	-	-	117
Total assets	\$ 1,054,032	\$ 404	\$ 1,586	\$ 7,463	\$ 20,389	\$ 1,083,874
LIABILITIES						
Due to individuals	\$ 449,752	\$ -	\$ -	\$ 7,463	\$ -	\$ 457,215
Due to other funds	153,310	-	-	-	-	153,310
Due to Board of County Commissioners	44,403	-	-	-	-	44,403
Due to other governmental units	311,774	-	1,586	-	-	313,360
Deposits	77,387	-	-	-	-	77,387
Other current liabilities	17,406	404	-	-	20,389	38,199
Total liabilities	\$ 1,054,032	\$ 404	\$ 1,586	\$ 7,463	\$ 20,389	\$ 1,083,874

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2013

	Balance October 1, 2012	Additions	Deductions	Balance September 30, 2013
TRUST FUND				
Assets				
Cash	\$ 1,100,169	\$ 7,345,237	\$ 7,404,951	\$ 1,040,455
Accounts receivable	13,137	10,237	9,914	13,460
Due from other funds	1,376	117	1,377	117
Total assets	\$ 1,114,682	\$ 7,355,591	\$ 7,416,242	\$ 1,054,032
Liabilities				
Due to individuals	\$ 483,316	\$ 854,813	\$ 888,377	\$ 449,752
Due to other funds	35,337	1,884,190	1,766,217	153,310
Due to Board of County Commissioners	39,433	566,906	561,936	44,403
Due to other governmental units	439,842	3,742,847	3,870,915	311,774
Deposits	99,199	221,257	243,069	77,387
Other current liabilities	17,555	76,951	77,100	17,406
Total liabilities	\$ 1,114,682	\$ 7,346,964	\$ 7,407,614	\$ 1,054,032
EMPLOYEE SUNSHINE FUND				
Assets				
Cash	\$ 655	\$ 1,886	\$ 2,137	\$ 404
Due from other funds	31	-	31	-
Total assets	\$ 686	\$ 1,886	\$ 2,168	\$ 404
Liabilities				
Other current liability	\$ 686	\$ 1,886	\$ 2,168	\$ 404
Total liabilities	\$ 686	\$ 1,886	\$ 2,168	\$ 404
DOMESTIC RELATIONS FUND				
Assets				
Cash	\$ 1,499	\$ 20,938	\$ 20,851	\$ 1,586
Total assets	\$ 1,499	\$ 20,938	\$ 20,851	\$ 1,586
Liabilities				
Due to other governmental units	\$ 1,499	\$ 19,759	\$ 19,672	\$ 1,586
Total liabilities	\$ 1,499	\$ 19,759	\$ 19,672	\$ 1,586
JURY AND WITNESS FUND				
Assets				
Cash	\$ 4,419	\$ 24,000	\$ 20,956	\$ 7,463
Accounts receivable	120	-	120	-
Total assets	\$ 4,539	\$ 24,000	\$ 21,076	\$ 7,463
Liabilities				
Due to individuals	\$ 4,539	\$ 25,541	\$ 22,617	\$ 7,463
Total liabilities	\$ 4,539	\$ 25,541	\$ 22,617	\$ 7,463

(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, 2013

	Balance October 1, 2012	Additions	Deductions	Balance September 30, 2013
PUBLIC DEFENDER				
OCCUPANCY TRUST FUND				
Assets				
Cash	\$ 12,662	\$ 83,052	\$ 75,325	\$ 20,389
Total assets	<u>\$ 12,662</u>	<u>\$ 83,052</u>	<u>\$ 75,325</u>	<u>\$ 20,389</u>
Liabilities				
Other current liabilities	\$ 12,662	\$ 83,052	\$ 75,325	\$ 20,389
Total liabilities	<u>\$ 12,662</u>	<u>\$ 83,052</u>	<u>\$ 75,325</u>	<u>\$ 20,389</u>
TOTALS - ALL FUNDS				
Assets				
Cash	\$ 1,119,404	\$ 7,475,113	\$ 7,524,220	\$ 1,070,297
Accounts receivable	13,257	10,237	10,034	13,460
Due from other funds	1,407	117	1,408	117
Total assets	<u>\$ 1,134,068</u>	<u>\$ 7,485,467</u>	<u>\$ 7,535,662</u>	<u>\$ 1,083,874</u>
Liabilities				
Due to individuals	\$ 487,855	\$ 880,354	\$ 910,994	\$ 457,215
Due to other funds	35,337	1,884,190	1,766,217	153,310
Due to Board of County Commissioners	39,433	566,906	561,936	44,403
Due to other governmental units	441,341	3,762,606	3,890,587	313,360
Deposits	99,199	221,257	243,069	77,387
Other current liabilities	30,903	161,889	154,593	38,199
Total liabilities	<u>\$ 1,134,068</u>	<u>\$ 7,477,202</u>	<u>\$ 7,527,396</u>	<u>\$ 1,083,874</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 Clerk of the Circuit Court
Columbia County, Florida

We have audited, in accordance with the 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, the special purpose financial statements of the Columbia County Clerk of the Circuit Court as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Columbia County Clerk of the Circuit Court's basic financial statements, and have issued our report thereon dated May 13, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Columbia County Clerk of Courts' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Courts' internal control. Accordingly, we do not express an opinion on the effectiveness of the Columbia County Clerk of Courts' internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

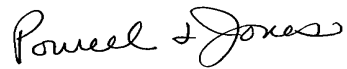
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Columbia County Clerk of the Circuit Courts' financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

POWELL & JONES
Certified Public Accountants
May 13, 2014

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL

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, 2013, and have issued our report thereon dated May 13, 2014. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

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, 2013. The financial statements of the Clerk of the Circuit Court are combined with other County agencies in this 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 year.

Financial Emergency Status – We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) 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.

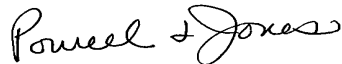
Requirements of Section 28.35 Florida Statutes – For the fiscal year ended September 30, 2013, the Clerk complied with the following:

- 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 him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. 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
May 14, 2014

PROPERTY APPRAISER

COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2013
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Powell & Jones
Certified Public Accountants

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

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Lake City, Florida 32025
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powellandjones@bellsouth.net

Honorable Property Appraiser
Columbia County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose financial statements of the Columbia County Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

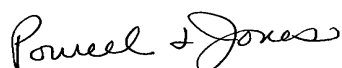
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser is part of the reporting entity Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the recording entity's basic financial statements.

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Property Appraiser, as of September 30, 2013, and the results of its operations and budgetary comparisons for the year there ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2014, 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 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* in considering the Property Appraiser's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
May 3, 2014

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

PROPERTY APPRAISER
GENERAL FUND
BALANCE SHEET
September 30, 2013

ASSETS

Cash	\$	30,734
Total assets	\$	<u>30,734</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities		
Due to Board of County Commissioners	\$	28,449
Due to other governmental units		<u>2,285</u>
Total liabilities and fund balance	\$	<u>30,734</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, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
General government				
County officer fees				
Lake Shore Hospital Authority	\$ 61,833	\$ 61,833	\$ 61,833	\$ -
Suwannee River Water				
Management District	26,630	26,630	26,630	-
Total charges for services	<u>88,463</u>	<u>88,463</u>	<u>88,463</u>	<u>-</u>
Miscellaneous				
Interest earnings	-	-	318	318
Other miscellaneous	-	-	2,700	2,700
Total miscellaneous	<u>-</u>	<u>-</u>	<u>3,018</u>	<u>3,018</u>
Total revenues	<u>88,463</u>	<u>88,463</u>	<u>91,481</u>	<u>3,018</u>
EXPENDITURES				
General government				
Financial and administrative				
Personnel services	1,033,785	1,040,721	1,036,772	3,949
Operating expenses	174,289	174,289	153,954	20,335
Capital outlay	4,602	8,967	8,967	-
Total expenditures	<u>1,212,676</u>	<u>1,223,977</u>	<u>1,199,693</u>	<u>24,284</u>
Excess of revenues over (under) expenditures	(1,124,213)	(1,135,514)	(1,108,212)	27,302
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	1,124,213	1,135,514	1,108,212	(27,302)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

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, 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, 2013, the book balance of the Property Appraiser's deposits was \$30,734. 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 Property Appraiser's 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 Board of County Commissioners fund that will pay for them. The remainder of the compensated absences liability, totaling \$109,331, is reported in the General Long-Term Debt Accounts of Columbia County.

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 non-contributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The rates at September 30, 2013 were as follows: Regular Employees 6.95%; Senior Management 18.31%; Elected Officials 33.03% and Deferred Retirement Option Program (DROP) 12.84%. 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, 2013, 2012 and 2011 were \$55,275, \$47,015, and \$90,489, respectively equal to the required contributions for each year.

NOTE 4. OPERATING LEASE

The Property Appraiser has an operating lease with Pitney Bowes for a postage meter. The agreement is being paid in sixteen quarterly installments of \$378. Future minimum lease payments are as follows:

Year Ending September 30	
<u>2014</u>	\$ 1,512
	<u>\$ 1,512</u>

The Property Appraiser has an operating lease with GE Capital dated August 5, 2009, for a copier. The agreement is being made in 63 monthly installments of \$187. Future minimum lease payments are as follows:

Year Ending September 30	
<u>2014</u>	\$ 2,241
2015	187
	<u>\$ 2,428</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, in accordance with the 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, the financial statements of the governmental activities of the Columbia County Property Appraiser, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Columbia County Property Appraiser's basic financial statements, and have issued our report thereon dated May 3, 2014.

internal Control Over Financial Reporting

in planning and performing our audit of the financial statements, we considered Columbia County Property Appraiser's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Columbia County Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Property Appraiser's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

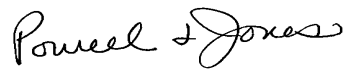
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Columbia County Property Appraiser's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

POWELL & JONES
Certified Public Accountants
Lake City, Florida
May 3, 2014

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL

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, 2013, and have issued our report thereon dated May 3, 2014.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 3, 2014. Disclosures in that report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL 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, 2013. The financial statements of the Property Appraiser are combined with other County agencies in this report.

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

Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

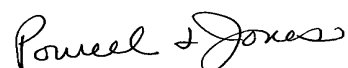
Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition

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 him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Property Appraiser's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES
Certified Public Accountants
May 3, 2014

SHERIFF

COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2013

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COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2013

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Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Columbia County Sheriff (the Sheriff), as of and for the year ended September 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Sheriff is part of the reporting entity, Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

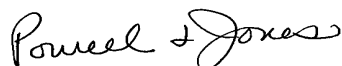
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Sheriff, as of September 30, 2013, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 4, 2014, on our consideration of the Sheriff'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 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* in considering the Sheriff's internal control over financial reporting and on compliance.

Other Information

Our audit was made for the purpose of forming an opinion on the special purpose fund 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 fund financial statements of the Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES
Certified Public Accountants
June 4, 2014

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

SHERIFF

COMBINED BALANCE SHEET

ALL FUND TYPES

September 30, 2013

	Governmental Funds		Fiduciary	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Fund Types Agency Funds	
ASSETS				
Current assets				
Cash	\$ 902,423	\$ 660,247	\$ 425,810	\$ 1,988,480
Accounts receivable	10,843	-	80,993	91,836
Due from other governmental units	14,147	-	-	14,147
Total assets	<u>\$ 927,413</u>	<u>\$ 660,247</u>	<u>\$ 506,803</u>	<u>\$ 2,094,463</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 254,620	\$ 13,176	\$ -	\$ 267,796
Accrued liabilities	562,433	-	-	562,433
Due to individuals	-	-	6,668	6,668
Due to Board of County Commissioners	110,360	-	6,181	116,541
Other current liabilities	-	-	493,954	493,954
Total current liabilities	<u>927,413</u>	<u>13,176</u>	<u>506,803</u>	<u>1,447,392</u>
FUND BALANCES				
Fund balances restricted	-	647,071	-	647,071
Total liabilities and fund balances	<u>\$ 927,413</u>	<u>\$ 660,247</u>	<u>\$ 506,803</u>	<u>\$ 2,094,463</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, 2013

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
REVENUES			
Intergovernmental	\$ 119,824	\$ 4,285	\$ 124,109
Charges for services	150,680	450,000	600,680
Fines and forfeitures	-	86,302	86,302
Miscellaneous	49,265	91,391	140,656
Total revenues	<u>319,769</u>	<u>631,978</u>	<u>951,747</u>
EXPENDITURES			
Current expenditures			
Public safety	11,526,384	298,413	11,824,797
Capital outlay			
Public safety	697,618	49,594	747,212
Total expenditures	<u>12,224,002</u>	<u>348,007</u>	<u>12,572,009</u>
Excess of revenues over (under) expenditures	<u>(11,904,233)</u>	<u>283,971</u>	<u>(11,620,262)</u>
Other Financing Sources			
Transfers from Board of County Commissioners	11,904,233	-	11,904,233
Total other financing sources	<u>11,904,233</u>	<u>-</u>	<u>11,904,233</u>
Net change in fund balances	-	283,971	283,971
Fund balances at beginning of year	<u>-</u>	<u>363,100</u>	<u>363,100</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 647,071</u>	<u>\$ 647,071</u>

COLUMBIA COUNTY, FLORIDA

SHERIFF

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

ALL GOVERNMENTAL FUND TYPES
For the Fiscal Year Ended September 30, 2013

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ -	\$ 119,824	\$ 119,824	\$ 4,285	\$ 4,285	\$ -
Charges for services	-	150,680	150,680	450,000	450,000	-
Fines and forfeitures	-	-	-	86,302	86,302	-
Miscellaneous	-	49,265	49,265	91,391	91,391	-
Total revenue	-	319,769	319,769	631,978	631,978	-
EXPENDITURES						
Current expenditures						
Public safety	11,459,792	11,526,384	(66,592)	298,413	298,413	-
Capital outlay						
Public safety	521,272	697,618	(176,346)	49,594	49,594	-
Total expenditures	11,981,064	12,224,002	(242,938)	348,007	348,007	-
Excess of revenues over (under) expenditures	(11,981,064)	(11,904,233)	76,831	283,971	283,971	-
Other Financing Sources						
Transfers from Board of County Commissioners	11,981,064	11,904,233	(76,831)	-	-	-
Total other financing sources	11,981,064	11,904,233	(76,831)	-	-	-
Net change in fund balances	-	-	-	283,971	283,971	-
Fund balances at beginning of year	-	-	-	363,100	363,100	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 647,071	\$ 647,071	\$ -

COLUMBIA COUNTY, FLORIDA

SHERIFF

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

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 entity, 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, 2013, the Sheriff maintained the following Special Revenue Funds:

Minimum Standards School
Forfeiture
Inmate Welfare
Forfeiture - Non Grant
Work Program
Region 2 Strike Force

(ii) Fiduciary Funds

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

- Inmate Trust
- Individual Depositors Trust
- Evidence Trust
- Donations 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, 2013, the book balance of the Sheriff's deposits were \$1,988,480. The bank balances were \$2,327,396. 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	\$ -	\$ 1,475,496	\$ -	\$ 1,475,496
FDIC Insurance	512,984	-	-	512,984
Total deposits	<u>\$ 512,984</u>	<u>\$ 1,475,496</u>	<u>\$ -</u>	<u>\$ 1,988,480</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, of \$944,232, 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 consolidated one. 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 10/01/12	Donations & Other	Additions	Deletions	Balance 09/30/13
Equipment	\$ 6,724,408	\$ 1,219	\$ 727,212	\$ (375,530)	\$ 7,077,309

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 through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The Sheriff is required to contribute at an actuarially determined rate. The rates at September 30, 2013 were as follows: Regular Employees 6.95%; Special Risk Employees 19.06%; Senior Management 18.31%; Elected Officials 33.03%, and employees electing the DROP program 12.84%. 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, 2013, 2012 and 2011 were \$894,759, \$798,316, and \$1,132,136, respectively, which are 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. 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 \$51,460. The future minimum payments under these leases at September 30, 2013, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2014	\$ 50,811
2015	27,596
2016	16,570
2017	5,399
	<u>\$ 100,376</u>

NOTE 8. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2013, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the governing body. Commitments may be established, modified, or rescinded only through resolutions approved by the governing body.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Sheriff.

Unassigned - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2013:

	Classification					Total
	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>	
Special Revenue Funds						
Minimum Standards School	\$ -	\$ 15,178	\$ -	\$ -	\$ -	\$ 15,178
Forfeiture	-	51,000	-	-	-	51,000
Inmate Welfare	-	287,613	-	-	-	287,613
Forfeiture Nongrant	-	285,848	-	-	-	285,848
Work Program	-	7,432	-	-	-	7,432
	<u>\$ -</u>	<u>\$ 647,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 647,071</u>

COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

GENERAL FUND
BALANCE SHEET

September 30, 2013

ASSETS

Current assets	
Cash	\$ 902,423
Accounts receivable	10,843
Due from other governmental units	14,147
Total assets	<u>\$ 927,413</u>

LIABILITIES

Liabilities	
Accounts payable	\$ 254,620
Accrued liabilities	562,433
Due to Board of County Commissioners	110,360
Total liabilities	<u>\$ 927,413</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, 2013

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
Federal grants				
E. Byrne Memorial	\$ -	\$ -	\$ 119,824	\$ 119,824
Charges for Services				
Public safety				
Police services	-	-	150,680	150,680
Miscellaneous				
Other	-	-	49,265	49,265
Total revenue	<u>-</u>	<u>-</u>	<u>319,769</u>	<u>319,769</u>
EXPENDITURES				
Administration				
Personnel services	850,322	862,071	858,783	3,288
Operating expenses	160,877	239,020	221,017	18,003
Capital outlay	-	7,345	7,345	-
Total administration	<u>1,011,199</u>	<u>1,108,436</u>	<u>1,087,145</u>	<u>21,291</u>
Road Patrol				
Personnel services	2,327,831	2,367,112	2,404,946	(37,834)
Operating expenses	709,554	657,687	657,687	-
Capital outlay	125,000	132,636	152,434	(19,798)
Total road patrol	<u>3,162,385</u>	<u>3,157,435</u>	<u>3,215,067</u>	<u>(57,632)</u>
Detective				
Personnel services	819,286	774,705	797,086	(22,381)
Operating expenses	159,618	149,740	149,740	-
Capital outlay	-	120,254	120,254	-
Total detective	<u>978,904</u>	<u>1,044,699</u>	<u>1,067,080</u>	<u>(22,381)</u>
Civil				
Personnel services	300,109	307,576	307,576	-
Operating expenses	77,677	69,057	69,057	-
Total civil	<u>\$ 377,786</u>	<u>\$ 376,633</u>	<u>\$ 376,633</u>	<u>\$ -</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

SHERIFF

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Records Evidence				
Personnel services	\$ 194,057	\$ 192,062	\$ 192,062	\$ -
Operating expenses	21,686	26,332	26,332	-
Total records evidence	<u>215,743</u>	<u>218,394</u>	<u>218,394</u>	<u>-</u>
Communications				
Operating expenses	-	15,762	15,762	-
Corrections				
Personnel services	2,751,065	2,809,487	2,809,487	-
Operating expenses	1,099,932	979,995	1,009,462	(29,467)
Capital outlay	30,000	261,037	261,037	-
Total corrections	<u>3,880,997</u>	<u>4,050,519</u>	<u>4,079,986</u>	<u>(29,467)</u>
Sheriff Task Force				
Personnel services	245,608	244,428	286,540	(42,112)
Operating expenses	87,075	50,079	85,060	(34,981)
Total Sheriff Task Force	<u>332,683</u>	<u>294,507</u>	<u>371,600</u>	<u>(77,093)</u>
Community Affairs				
Personnel services	523,037	547,727	547,727	-
Operating expenses	107,667	96,393	96,393	-
Total community affairs	<u>630,704</u>	<u>644,120</u>	<u>644,120</u>	<u>-</u>
Bullet Proof Vest				
Operating expenses	-	-	9,721	(9,721)
Information Technology				
Operating expenses	97,437	108,651	108,651	-
Capital outlay	128,000	144,240	144,240	-
Total Information Technology	<u>225,437</u>	<u>252,891</u>	<u>252,891</u>	<u>-</u>
JAG Equipment Grant				
Operating expenses	-	-	9,289	(9,289)
Capital outlay	-	-	4,286	(4,286)
Total JAG equipment grant	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,575</u>	<u>\$ (13,575)</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

SHERIFF

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
JAG Grant				
Personnel services	\$ -	\$ -	\$ 24,280	\$ (24,280)
Operating expenses	-	-	1,030	(1,030)
Capital outlay	-	-	8,022	(8,022)
Total JAG grant	-	-	33,332	(33,332)
Courts Judicial				
Personnel services	\$ 684,561	\$ 701,889	\$ 690,517	\$ 11,372
Operating expenses	112,361	115,779	80,156	35,623
Total court judicial	796,922	817,668	770,673	46,995
STOP				
Personnel services	-	-	59,199	(59,199)
Operating expenses	-	-	8,824	(8,824)
Total Stop	-	-	68,023	(68,023)
Total expenditures	11,612,760	11,981,064	12,224,002	(242,938)
Excess of revenues over (under) expenditures	(11,612,760)	(11,981,064)	(11,904,233)	76,831
Other financing sources				
Transfers from the Board of County Commissioners	11,612,760	11,981,064	11,904,233	(76,831)
Total other financing sources	11,612,760	11,981,064	11,904,233	(76,831)
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

SPECIAL REVENUE FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2013

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Region 2 Strike Force	Totals
ASSETS							
Current Assets							
Cash	\$ 15,623	\$ 51,000	\$ 300,074	\$ 285,848	\$ 7,702	\$ -	\$ 660,247
Total current assets	<u>\$ 15,623</u>	<u>\$ 51,000</u>	<u>\$ 300,074</u>	<u>\$ 285,848</u>	<u>\$ 7,702</u>	<u>\$ -</u>	<u>\$ 660,247</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 445	\$ -	\$ 12,461	\$ -	\$ 270	\$ -	\$ 13,176
Total liabilities	<u>445</u>	<u>-</u>	<u>12,461</u>	<u>-</u>	<u>270</u>	<u>-</u>	<u>13,176</u>
FUND BALANCES - Restricted	15,178	51,000	287,613	285,848	7,432	-	647,071
Total liabilities and fund balances	<u>\$ 15,623</u>	<u>\$ 51,000</u>	<u>\$ 300,074</u>	<u>\$ 285,848</u>	<u>\$ 7,702</u>	<u>\$ -</u>	<u>\$ 660,247</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, 2013

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Region 2 Strike Force	Totals
REVENUES							
Intergovernmental revenue							
Federal grant							
Drug eradication revenue	\$ -	\$ 3,500	\$ -	\$ -	\$ -	\$ -	\$ 3,500
State grant							
Legislative appropriation	-	-	-	-	-	785	785
Total intergovernmental revenue	<u>-</u>	<u>3,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>785</u>	<u>4,285</u>
Charges for services							
Public Safety							
Other public safety charges	-	-	450,000	-	-	-	450,000
Fines and forfeitures							
Court cases							
Confiscated property and restitution	-	16,354	-	53,331	-	-	69,685
Law enforcement education	16,617	-	-	-	-	-	16,617
Total fines and forfeitures	<u>16,617</u>	<u>16,354</u>	<u>-</u>	<u>53,331</u>	<u>-</u>	<u>-</u>	<u>86,302</u>
Miscellaneous							
Interest	41	55	145	329	10	38	618
Other miscellaneous							
Commissions	-	-	82,900	-	-	-	82,900
Other	-	-	17	4,684	3,172	-	7,873
Total miscellaneous	<u>41</u>	<u>55</u>	<u>83,062</u>	<u>5,013</u>	<u>3,182</u>	<u>38</u>	<u>91,391</u>
Total revenues	<u>\$ 16,658</u>	<u>\$ 19,909</u>	<u>\$ 533,062</u>	<u>\$ 58,344</u>	<u>\$ 3,182</u>	<u>\$ 823</u>	<u>\$ 631,978</u>

(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, 2013

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Region 2 Strike Force	Totals
EXPENDITURES							
Public Safety							
Law enforcement							
Operating expenses	\$ 46,086	\$ -	\$ -	\$ 9,000	\$ 2,537	\$ 900	\$ 58,523
Capital outlay	-	4,434	-	17,741	-	-	22,175
Total law enforcement	<u>46,086</u>	<u>4,434</u>	<u>-</u>	<u>26,741</u>	<u>2,537</u>	<u>900</u>	<u>80,698</u>
Detention and correction							
Personnel services	-	-	10,683	-	-	-	10,683
Operating expenses	-	-	229,207	-	-	-	229,207
Capital outlay	-	-	27,419	-	-	-	27,419
Total detention and correction	<u>-</u>	<u>-</u>	<u>267,309</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>267,309</u>
Total expenditures	<u>46,086</u>	<u>4,434</u>	<u>267,309</u>	<u>26,741</u>	<u>2,537</u>	<u>900</u>	<u>348,007</u>
Excess of revenues over (under) expenditures	<u>(29,428)</u>	<u>15,475</u>	<u>265,753</u>	<u>31,603</u>	<u>645</u>	<u>(77)</u>	<u>283,971</u>
Net change in fund balances	(29,428)	15,475	265,753	31,603	645	(77)	283,971
Fund balances beginning of year	44,606	35,525	21,860	254,245	6,787	77	363,100
Fund balances end of year	<u>\$ 15,178</u>	<u>\$ 51,000</u>	<u>\$ 287,613</u>	<u>\$ 285,848</u>	<u>\$ 7,432</u>	<u>\$ -</u>	<u>\$ 647,071</u>

See notes to financial statements.

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2013

	<u>Inmate Trust</u>	<u>Individual Depositors</u>	<u>Evidence Trust</u>	<u>Donations Trust</u>	<u>Totals</u>
ASSETS					
Current assets					
Cash	\$ 350,540	\$ 7,681	\$ 54,605	\$ 12,984	\$ 425,810
Accounts receivable	80,993	-	-	-	80,993
Total current assets	<u>\$ 431,533</u>	<u>\$ 7,681</u>	<u>\$ 54,605</u>	<u>\$ 12,984</u>	<u>\$ 506,803</u>
LIABILITIES					
Current liabilities					
Due to individuals	\$ 6,668	\$ -	\$ -	\$ -	\$ 6,668
Due to Board of County Commissioners	-	6,181	-	-	6,181
Other current liabilities	424,865	1,500	54,605	12,984	493,954
Total current liabilities	<u>\$ 431,533</u>	<u>\$ 7,681</u>	<u>\$ 54,605</u>	<u>\$ 12,984</u>	<u>\$ 506,803</u>

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 For the Fiscal Year Ended September 30, 2013

	Balance October 1, 2012	Additions	Deletions	Balance September 30, 2013
INMATE TRUST				
ASSETS				
Cash	\$ 591,710	\$ 430,410	\$ 671,580	\$ 350,540
Due from individuals	14,371	80,993	14,371	80,993
Total assets	<u>\$ 606,081</u>	<u>\$ 511,403</u>	<u>\$ 685,951</u>	<u>\$ 431,533</u>
LIABILITIES				
Due to individuals	\$ 14,464	\$ 663,783	\$ 671,580	\$ 6,667
Other current liabilities	591,617	7,797	174,548	424,866
Total liabilities	<u>\$ 606,081</u>	<u>\$ 671,580</u>	<u>\$ 846,128</u>	<u>\$ 431,533</u>
INDIVIDUAL DEPOSITORS				
ASSETS				
Cash	\$ 11,741	\$ 92,953	\$ 97,014	\$ 7,681
Total assets	<u>\$ 11,741</u>	<u>\$ 92,953</u>	<u>\$ 97,014</u>	<u>\$ 7,681</u>
LIABILITIES				
Individual depositors liability	\$ 3,872	\$ 9,422	\$ 11,794	\$ 1,500
Due to Board of County Commissioners	7,869	83,531	85,220	6,181
Total liabilities	<u>\$ 11,741</u>	<u>\$ 92,953</u>	<u>\$ 97,014</u>	<u>\$ 7,681</u>
EVIDENCE TRUST				
ASSETS				
Cash	\$ 40,838	\$ 31,023	\$ 17,255	\$ 54,605
Total assets	<u>\$ 40,838</u>	<u>\$ 31,023</u>	<u>\$ 17,255</u>	<u>\$ 54,605</u>
LIABILITIES				
Other current liabilities	\$ 40,838	\$ 31,023	\$ 17,255	\$ 54,605
Total liabilities	<u>\$ 40,838</u>	<u>\$ 31,023</u>	<u>\$ 17,255</u>	<u>\$ 54,605</u>
DONATIONS TRUST				
ASSETS				
Cash	\$ 12,814	\$ 21,648	\$ 21,478	\$ 12,984
Total assets	<u>\$ 12,814</u>	<u>\$ 21,648</u>	<u>\$ 21,478</u>	<u>\$ 12,984</u>
LIABILITIES				
Other current liabilities	\$ 12,814	\$ 21,665	\$ 21,495	\$ 12,984
Total liabilities	<u>\$ 12,814</u>	<u>\$ 21,665</u>	<u>\$ 21,495</u>	<u>\$ 12,984</u>
TOTALS-ALL AGENCY FUNDS				
ASSETS				
Cash	\$ 657,103	\$ 576,033	\$ 807,327	\$ 425,810
Due from individuals	14,371	80,993	14,371	80,993
Total assets	<u>\$ 671,474</u>	<u>\$ 657,026</u>	<u>\$ 821,698</u>	<u>\$ 506,803</u>
LIABILITIES				
Individual depositors liability	\$ 3,872	\$ 9,422	\$ 11,794	\$ 1,500
Due to individuals	14,464	663,783	671,580	6,667
Due to Board of County Commissioners	7,869	83,531	85,220	6,181
Other current liabilities	645,269	60,484	213,299	492,455
Total liabilities	<u>\$ 671,474</u>	<u>\$ 817,220</u>	<u>\$ 981,892</u>	<u>\$ 506,803</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 Sheriff
Columbia County, Florida

We have audited, in accordance with the 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, the special purpose financial statements of the Columbia County Sheriff as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Columbia County Sheriff's special purpose financial statements, and have issued our report thereon dated June 4, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Columbia County Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Columbia County Sheriff's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Columbia County Sheriff's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

POWELL & JONES
Certified Public Accountants
June 4, 2014

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL

Honorable Sheriff
Columbia County, Florida

We have audited the special purpose fund financial statements of the Columbia County Sheriff, as of and for the year ended September 30, 2013, and have issued our report thereon dated June 4, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, *Rules of the Florida Auditor General*.

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in this report which is dated June 4, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. The Letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

Section 10.554(l)(i)l., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior findings or recommendations .

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 Report of Units of Local Government - The financial report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is an agreement with the audited special purpose fund financial statements of Columbia County, Florida, for the year ended September 30, 2013. The special purpose fund 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.

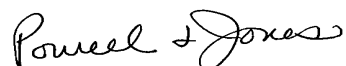
Financial Emergency Status – We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(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 him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Sheriff's Office. We appreciate the overall high quality of the financial records and personnel in the Sheriff's Office. We also appreciate the helpful assistance, professionalism and courtesy afforded us by these employees.



POWELL & JONES
Certified Public Accountants
June 4, 2014

SUPERVISOR OF ELECTIONS

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2013

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Powell & Jones
Certified Public Accountants

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Honorable Supervisor of Elections
Columbia County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Columbia County Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

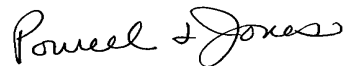
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of Elections is part of the reporting entity Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the recording entity's basic financial statements.

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Supervisor of Elections, as of September 30, 2013, and the results of its operations and budgetary comparison for the year there ended in conformity with accounting principles generally accepted in the United States of America

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2014, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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* in considering the Supervisor of Elections' internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
May 1, 2014

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
GENERAL FUND
BALANCE SHEET
September 30, 2013

ASSETS

Current Assets

Cash	\$	19,514
Prepaid expense		1,808
Total assets	\$	<u>21,322</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current Liabilities

Accounts payable	\$	5,242
Deferred revenue		6,748
Due to Board of County Commissioners		<u>9,332</u>
Total liabilities		21,322
FUND BALANCE		-
Total liabilities and fund balance	\$	<u>21,322</u>

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, 2013

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental			
Federal grants			
Voter education	\$ -	\$ 4,665	\$ 4,665
Total intergovernmental	-	4,665	4,665
Miscellaneous			
Other	-	13,466	13,466
Total miscellaneous	-	13,466	13,466
Total revenues	-	18,131	18,131
EXPENDITURES			
General government			
Other general government			
Supervisor of Elections			
Personnel services	314,726	372,381	(57,655)
Operating expenses	13,045	72,098	(59,053)
Total Supervisor of Elections	327,771	444,479	(116,708)
Elections			
Personnel services	160,000	37,172	122,828
Operating expenses	135,588	152,917	(17,329)
Total elections	295,588	190,089	105,499
Total general government	623,359	634,568	(11,209)
Excess of revenues over (under) expenditures	(623,359)	(616,437)	6,922
OTHER FINANCING SOURCES			
Transfers in from Board of County Commissioners	623,359	616,437	(6,922)
Total other financing sources	-	-	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS

September 30, 2013

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, 2013, the book balance of the Supervisor of Elections' deposits was \$19,514. 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 of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability, totaling \$10,372, is reported in the General Long-Term Debt of Columbia County, Florida.

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 non-contributory through June 30, 2011. Effective July 1, 2011, employees must contribute 3% of their gross wages. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates at September 30, 2013, were as follows: Regular Employees 6.95%; Senior Management 18.31%; Elected Officials 33.03%, and employees electing the DROP Program 12.84%. 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, 2013, 2012 and 2011 were \$24,706, \$21,364, and \$37,876, respectively, equal to the required contributions for each year.

NOTE 3. OPERATING LEASE PAYABLE

The Supervisor of Elections has an operating lease with Xerox for one Xerox printer. The agreement is being paid in sixty monthly installments of \$380. Future minimum lease payments are as follows:

Year Ending September 30,	
2014	\$ 4,561
2015	4,561
2016	1,899
	<u>\$ 11,021</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 Supervisor of Elections
Columbia County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities of the Columbia County Supervisor of Elections, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise Columbia County Supervisor of Elections' basic financial statements, and have issued our report thereon dated May 1, 2014.

internal Control Over Financial Reporting

in planning and performing our audit of the financial statements, we considered Columbia County Supervisor of Elections' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Columbia County Supervisor of Election's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Supervisor of Elections' internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

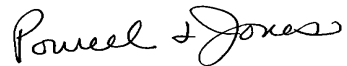
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Columbia County Supervisor of Election's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

POWELL & JONES
Certified Public Accountants
May 1, 2014

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL

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, 2013, and have issued our report thereon dated May 1, 2014.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 1, 2014. Disclosures in that report should be considered in conjunction with this management letter.

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL 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, 2013. The financial statements of the Supervisor of Elections are combined with other County agencies in this report.

Investment of Public Funds – The Supervisor of Elections complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year.

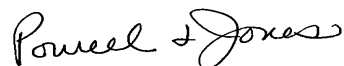
Financial Emergency Status – We have determined that the Supervisor of Elections did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) 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 him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Supervisor of Elections' Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES
Certified Public Accountants
May 1, 2014

TAX COLLECTOR

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
SPECIAL PURPOSE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2013

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

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Powell & Jones
Certified Public Accountants

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386 / 755-4200

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powellandjones@bellsouth.net

Honorable Tax Collector
Columbia County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose financial statements of the Columbia County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial

statements, the Tax Collector is part of the reporting entity, Columbia County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

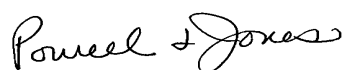
In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Tax Collector, as of September 30, 2013, and the respective changes in financial position and budgetary comparisons and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2014, 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 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* in considering City of Archer's internal control over financial reporting and compliance.

Other Information

Our audit was made for the purpose of forming an opinion on the special purpose financial statements taken as a whole. The combining 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 fund financial statements of the Tax Collector. Such information has been submitted to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES
Certified Public Accounts
April 28, 2014

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR
 COMBINED BALANCE SHEET - ALL FUND TYPES
 September 30, 2013

	Governmental Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Agency Funds	
ASSETS			
Current assets			
Cash	\$ 351,724	\$ 2,295,283	\$ 2,647,007
Accounts receivable	-	752	752
Due from other funds	34,407	-	34,407
Total assets	<u>\$ 386,131</u>	<u>\$ 2,296,035</u>	<u>\$ 2,682,166</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 24,141	\$ 2,987	\$ 27,128
Due to individuals		175,512	175,512
Due to other funds		34,407	34,407
Due to Board of County Commissioners	339,913	-	339,913
Due to other governmental units	19,821	1,955,020	1,974,841
Accrued payroll deductions and matching	2,256	-	2,256
Other current liabilities	-	128,109	128,109
Total liabilities	<u>\$ 386,131</u>	<u>\$ 2,296,035</u>	<u>\$ 2,682,166</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
County Officer commissions and fees				
Professional and occupational licenses	\$ -	\$ -	\$ 16,071	\$ 16,071
Motor vehicle fees	405,451	401,722	343,426	(58,296)
Drivers license fees	129,463	129,463	129,463	-
Other licenses and permits	-	-	4,616	4,616
State commissions	-	-	1,560	1,560
County commissions	731,145	731,145	636,747	(94,398)
Tax commissions				
Columbia County Industrial Development Authority				
	11	11	11	-
Suwannee Water Management District				
	19,066	19,066	15,217	(3,849)
Lake Shore Hospital Authority				
	44,325	44,325	35,404	(8,921)
Special assessment commissions				
	171,334	171,334	164,283	(7,052)
Special assessment administrative fees				
	-	-	73,570	73,570
Total charges for services	<u>1,500,795</u>	<u>1,497,066</u>	<u>1,420,368</u>	<u>(76,699)</u>
Miscellaneous				
Interest earnings				
	-	-	281	281
Other miscellaneous				
	-	-	6,000	6,000
Total miscellaneous	<u>-</u>	<u>-</u>	<u>6,281</u>	<u>6,281</u>
Total revenues	<u>1,500,795</u>	<u>1,497,066</u>	<u>1,426,649</u>	<u>(70,418)</u>
EXPENDITURES				
General government				
Personnel services				
	1,237,947	1,237,968	1,201,282	36,686
Operating expenses				
	262,848	259,098	217,379	41,719
Capital outlay				
	-	-	7,988	(7,988)
Total expenditures	<u>1,500,795</u>	<u>1,497,066</u>	<u>1,426,649</u>	<u>70,417</u>

(Continued)

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Excess of revenues over (under) expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS

September 30, 2013

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 fund 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. Encumbrance accounting is not utilized by the Tax Collector.

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 appropriated 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, as amended during the year.

E. Cash - 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, 2013, the book balance of the Tax Collector's deposits was \$2,642,707. Of this balance, \$250,000 was covered by federal depository insurance, and \$2,392,707 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.

The Tax Collector also has petty cash reserves in the amount of \$4,300.

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 of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability totaling \$159,497 is reported in the General Long-Term Debt Accounts of Columbia County, Florida.

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 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 2. 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 through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The Tax Collector is required to contribute at an actuarially determined rate. The rates at September 30, 2013 were as follows: Regular Employees 6.95%; Senior Management 18.31%; Elected Officials 33.03%; Deferred Retirement Option Program (DROP) 12.84%. 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, 2013, 2012 and 2011 were \$72,734, \$56,116, and \$107,067, respectively, equal to the required contributions for each year.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2013, were:

	Interfund Receivable	Interfund Payable
General Fund	\$ 34,407	\$ -
Ad Valorem Tax Fund	-	34,407
	<u>\$ 34,407</u>	<u>\$ 34,407</u>

NOTE 4. OPERATING LEASES

The Tax Collector has an operating lease with Lanier Worldwide, Inc. for three copiers. The agreement is being paid in sixty monthly installments of \$366. Future minimum lease payments are as follows:

<u>September 30,</u>	
2014	\$ 4,388
2015	4,388
2016	2,194
	<u>\$ 10,970</u>

The Tax Collector has an operating lease with Mailfinance for a mail machine with scale. The agreement is being paid in 12 monthly installments of \$133 and 48 monthly installments of \$156. Future minimum lease payments are as follows;

<u>September 30,</u>	
2014	\$ 1,869
	<u>\$ 1,869</u>

COMBINING FUND STATEMENTS

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

AGENCY FUNDS

COMBINING BALANCE SHEET

September 30, 2013

	<u>Ad Valorem Tax Fund</u>	<u>Tag Agency Fund</u>	<u>Totals</u>
ASSETS			
Cash	\$ 2,079,339	\$ 215,944	\$ 2,295,283
Accounts receivable	-	752	752
Total assets	<u>\$ 2,079,339</u>	<u>\$ 216,696</u>	<u>\$ 2,296,035</u>
LIABILITIES			
Accounts payable	\$ 2,957	\$ 30	\$ 2,987
Due to individuals	175,512	-	175,512
Due to other funds	34,407	-	34,407
Due to other governmental units	1,742,795	212,225	1,955,020
Interest payable	-	45	45
Occupational licenses payable	70,970	-	70,970
Escrow funds payable	21,784	-	21,784
Other current liabilities	30,914	4,396	35,310
Total liabilities	<u>\$ 2,079,339</u>	<u>\$ 216,696</u>	<u>\$ 2,296,035</u>

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2013

	Balance October 1, 2012	Additions	Deductions	Balance September 30, 2013
TAG AGENCY FUND				
Assets				
Cash	\$ 139,380	\$ 8,253,201	\$ 8,176,637	\$ 215,944
Dishonored checks receivable	1,131	18,487	18,866	752
Total assets	\$ 140,511	\$ 8,271,688	\$ 8,195,503	\$ 216,696
Liabilities				
Accounts payable	\$ 130	\$ 24,058	\$ 24,158	\$ 30
Due to other funds	-	45	45	-
Due to other governmental units	135,035	8,218,661	8,141,471	212,225
Interest payable	242	223	420	45
Other current liabilities	5,104	63,186	63,894	4,396
Total liabilities	\$ 140,511	\$ 8,306,173	\$ 8,229,988	\$ 216,696
AD VALOREM TAX FUND				
Assets				
Cash	\$ 2,098,586	\$ 57,468,136	\$ 57,487,383	\$ 2,079,339
Dishonored checks receivable	-	91,355	91,355	-
Total assets	\$ 2,098,586	\$ 57,559,491	\$ 57,578,738	\$ 2,079,339
Liabilities				
Accounts payable	\$ 349	\$ 154,123	\$ 151,515	\$ 2,957
Due to individuals	168,699	5,635,635	5,628,822	175,512
Due to other funds	30,896	978,044	974,533	34,407
Due to other governmental units	1,636,329	52,588,585	52,482,119	1,742,795
Interest payable	-	2,957	2,957	-
Occupational licenses payable	69,777	180,973	179,780	70,970
Escrow funds payable	152,605	56,376	187,197	21,784
Other current liabilities	39,931	929,380	938,397	30,914
Total liabilities	\$ 2,098,586	\$ 60,526,073	\$ 60,545,320	\$ 2,079,339

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2013

	Balance October 1, 2012	Additions	Deductions	Balance September 30, 2013
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ 2,237,966	\$ 65,721,337	\$ 65,664,020	\$ 2,295,283
Dishonored checks receivable	1,131	109,842	110,221	752
Total assets	\$ 2,239,097	\$ 65,831,179	\$ 65,774,241	\$ 2,296,035
Liabilities				
Accounts payable	\$ 479	\$ 178,181	\$ 175,673	\$ 2,987
Due to individuals	168,699	5,635,635	5,628,822	175,512
Due to other funds	30,896	978,089	974,578	34,407
Due to other governmental units	1,771,364	60,807,246	60,623,590	1,955,020
Interest payable	242	3,180	3,377	45
Occupational licenses payable	69,777	180,973	179,780	70,970
Escrow funds payable	152,605	56,376	187,197	21,784
Other current liabilities	45,035	992,566	1,002,291	35,310
Total liabilities	\$ 2,239,097	\$ 68,832,246	\$ 68,775,308	\$ 2,296,035

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, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Columbia County Tax Collector, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Columbia County Tax Collector's basic financial statements, and have issued our report thereon dated April 28, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Columbia County Tax Collector's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Tax Collector's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. However, we identified the following deficiency in internal control over financial reporting that we consider to be a significant deficiency in internal control over financial reporting.

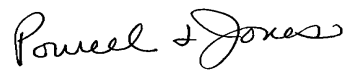
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Columbia County Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with 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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

POWELL & JONES
Certified Public Accountants
April 28, 2014

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL

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, 2013, and have issued our report thereon dated April 28, 2014

We have issued our 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* dated April 28, 2014. Disclosures in 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 *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 following be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings during the current year.

FINANCIAL 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, 2013. 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 ended September 30, 2013.

Financial Emergency Status – We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

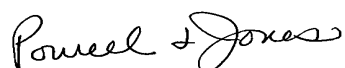
Financial Condition Assessment Procedures – As required by the Rules of the Auditor General (Sections 10.554(1)(i)7.c and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial

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 10.554(1)(f).

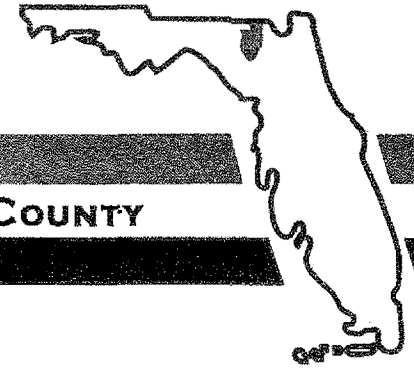
CONCLUSION

We have reviewed information regarding our audit with the Tax Collector and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Tax Collector. We appreciate the helpful assistance of the Tax Collector Staff in completing our audit and also the generally high quality of the Tax Collector's financial records and internal controls. We also appreciate the helpful assistance and courtesy afforded us by these employees.

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

POWELL & JONES
Certified Public Accountants
April 28, 2014

District No. 1 - Ronald Williams
District No. 2 - Rusty DePratter
District No. 3 - Bucky Nash
District No. 4 - Stephen E. Bailey
District No. 5 - Scarlet P. Frisina



BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY

June 24, 2014

Mr. David Martin, C.P.A.
AUDITOR GENERAL
State of Florida
The Capitol
Tallahassee, Florida 32399

RE: Response to Management Letter –
Annual Financial Report Fiscal Year Ended September 30, 2013
Columbia County

Dear Auditor General:

Columbia County provides the following response to the current year findings within the management letter issued to the Board of County Commissioners in the above referenced financial report.

Prior Year Findings

2012-1 Grant Administration

The Finance Office has developed a project costing approach during Fiscal Year 2014 for the purpose of distinctly identifying and tracking individual grant awards. In order to ensure cooperation with the project approach and centralize grant information documents and reporting, the Board's Management and Information Technology departments, in consultation with Finance, have developed a "one-stop" grant tracking software program. The platform is nearing initial introduction to departments who will be trained to use the software for all of their activities relating to Federal Awards and State Financial Assistance programs. Requiring departmental use of the program will ensure centralized availability of grant information and provide for oversight of compliance and reporting.

Current Year Findings

2013-1 Stale Dated Checks

The Finance Office has already discussed beginning the process for reporting unclaimed checks per Section 717 of the Florida Statutes for items outstanding more than one year at the end of 2014. At that time, due diligence will also be performed for the listed previously-voided amounts. The Clerk will request a budget amendment from the Board's reserves to replace the funds for any prior voids and remit monies according to requirements.

BOARD MEETS FIRST THURSDAY AT 5:30 P.M.
AND THIRD THURSDAY AT 5:30 P.M.

P. O. BOX 1529

LAKE CITY, FLORIDA 32056-1529

PHONE (386) 755-4100

2013-2 Road & Street Capitalization Policy

The Board's staff will amend its fixed asset capitalization policy to include specific guidance for infrastructure such as roads.

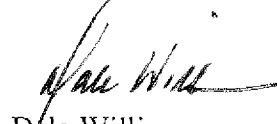
2013-3 Travel Documentation

The Finance Office has in recent months increased scrutiny on travel and reimbursement expenditures. Meeting agendas will be required as part of the documentation for travel reimbursements prior to payment.

2013-4 Investments

The Finance Office has already been in contact with our investment representatives for the purpose of directing them to reallocate or redirect our funds into vehicles in full compliance with Section 218.415(17) of the *Florida Statutes*.

Sincerely,



Dale Williams
County Manager

XC: Board of County Commissioners
P. DeWitt Cason, Clerk of Courts
Richard Powell, C.P.A.
Jared Blanton, Finance Director
Ben Scott, Assistant County Manager
Outgoing Correspondence

P. DeWitt Cason

Clerk of Circuit Court - Columbia County, Florida



June 13, 2014

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

Dear Mr. Powell:

This letter is to confirm that I have received the Management Letter, prepared by your firm, for our financial statement audit for the fiscal year ended September 30, 2013.

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

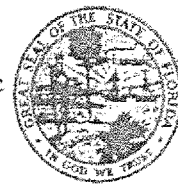
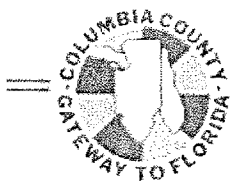
Sincerely,

A handwritten signature in cursive script, reading "P. DeWitt Cason", is written over a horizontal line.

P. DeWitt Cason
Columbia County Clerk of Courts

J. DOYLE CREWS

PROPERTY APPRAISER - COLUMBIA COUNTY, FLORIDA



June 27, 2014

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

RE: Management Letter-Audit for year Ended September 30, 2013

Dear Mr. Powell:

Thank you for the Management Letter regarding the audit your office conducted on the Columbia County Property appraiser's office for the year ended September 30, 2013

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

Sincerely,

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

J. Doyle Crews, CFA
Property Appraiser

JDC/cwp
Cc: Dale Williams, County Manager



Sheriff Mark Hunter

COLUMBIA COUNTY SHERIFF'S OFFICE

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

www.columbiasheriff.org

June 27, 2014

Mr. Richard C. Powell, Jr. CPA
Powell and Jones CPAs
1359 SW Main Blvd
Lake City, Florida 32025

Dear Mr. Powell,

In response to your management letter regarding the financial audit of the Columbia County Sheriff's Office for the fiscal year ended September 30, 2013, I am pleased to accept your letter with no reportable findings. The staff and employees work very hard to ensure that this office operates effectively with regards to the duties we are entrusted with but also with the highest degree of accountability possible. I am very proud of our accomplishments thus far.

I would also like to thank you and the staff of Powell and Jones for the professional and timely manner in which the audit was conducted. It has been a pleasure working with you all.

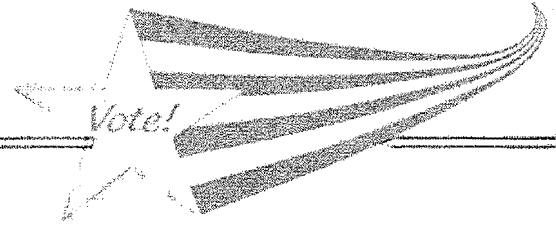
Sincerely,

A handwritten signature in black ink that reads "Mark Hunter". The signature is written in a cursive style.

Mark Hunter
Sheriff, Columbia County

Liz P. Horne

SUPERVISOR OF ELECTIONS, COLUMBIA COUNTY



June 27, 2014

Powell and Jones, CPAs
1359 SW Main Blvd
Lake City, Florida 32025

To Whom It May Concern:

We accept our management letter and will continue to do things as required by the Auditor General Rules. We have enjoyed the experience of working with you.

Regards,

Elizabeth "Liz" P. Horne
Columbia County Supervisor of Elections

EPH/tb



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



Ronnie Brannon, Tax Collector

Proudly Serving The People of Columbia County
135 NE Hernando Ave., Suite 125 • Lake City, Florida 32055-4006
(386) 758-1077 • (386) 719-7462 Fax

June 27, 2014

Honorable Ron Williams, Chairman
Columbia County Board of Commissioners
P.O. Box 1529
Lake City, FL 32056

Dear Mr. Williams:

We have received our Management Letter from Powell and Jones, Certified Public Accountants, for our financial audit of the period ending September 30, 2013.

We are pleased to see there were no reportable findings again this year. We accept this letter and will strive to continue to do things as required by the Auditor General Rules. We appreciate the courtesy afforded us by the auditing staff.

Sincerely,

Ronnie Brannon
Tax Collector

RHB/sb

Cc: Powell & Jones CPA