

**COLUMBIA COUNTY,
FLORIDA**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

COLUMBIA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

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INTRODUCTORY SECTION

COLUMBIA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2019

<u>Title</u>	<u>Name</u>
Board of County Commissioners	
District I	Ronald Williams
District II	Rocky Ford
District III	Bucky Nash
District IV	Toby Witt
District V	Timothy Murphy
County Attorney	Joel Foreman
Clerk of Circuit Court	P. DeWitt Cason
Property Appraiser	Jeff Hampton
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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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, 2019, and the related notes to the financial statements 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.

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, 2019, 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

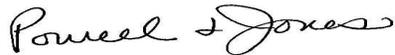
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 19, budgetary comparison information on pages 78 through 85 and pension and OPEB schedules on pages 86 through 89, be presented to supplement the basic financial 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 State Financial Assistance is presented for purposes of additional analysis as required by *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 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 nonmajor 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, this 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 March 23, 2020 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.

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

POWELL & JONES
Certified Public Accountants
March 23, 2020

COLUMBIA COUNTY, FLORIDA
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2019

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2019. 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, 2019.

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 and sewer operations.

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 \$139,605,428 (net position). Unrestricted net position for governmental activities was \$1,890,158 and for business-type activities was \$6,526,176. Governmental Activities restricted net position is \$16,651,629 and was \$-0- for Business-type Activities.

Total net position decreased by \$(5,505,042). Of that amount, \$(5,757,508) is attributable to Governmental Activities; which is primarily the result of the County's recognition and recording of its proportionate share of the Florida State Retirement System net pension liability. Business-type Activities net position increased by \$252,466.

Governmental Activities revenues increased by \$4,790,937 to \$74,170,761. This increase in revenue was due primarily to an increase in capital grants and property taxes. Governmental Activities expenses increased by \$8,465,485 to \$79,769,609. This increase in expenses was primarily due to an increase in public safety and transportation related expenses.

Business-type activities revenues decreased to \$4,425,318, and business-type expenses increased to \$4,331,512.

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, 2019, the assets and deferred outflows of resources of the County exceed liabilities and deferred inflows of resources by \$139,605,428.

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

Net Position

	Governmental	Business-type	Total Government	
			2019	2018
Assets				
Current assets	\$ 56,093,967	\$ 7,532,089	\$ 63,626,056	\$ 61,309,652
Restricted assets	-	7,878,799	7,878,799	7,476,540
Other Noncurrent assets	119,128,155	11,958,571	131,086,726	133,957,231
Total assets	175,222,122	27,369,459	202,591,581	202,743,423
Deferred Outflows of Resources				
County's proportionate share of				
FRS pension related	14,425,241	134,873	14,560,114	16,125,307
Liabilities				
Current liabilities (payable				
from current assets)	6,583,654	445,071	7,028,725	12,757,415
Current liabilities (payable				
from restricted assets)	-	1,192,183	1,192,183	948,238
Noncurrent liabilities	57,318,091	8,225,232	65,543,323	56,013,571
Total liabilities	63,901,745	9,862,486	73,764,231	69,719,224
Deferred Inflows of Resources				
County's proportionate share of				
FRS pension related	3,746,998	35,038	3,782,036	4,039,036
Net Position				
Net position invested in capital				
assets, net of related debt	103,456,833	11,080,632	114,537,465	115,991,373
Net position - restricted	16,651,629	-	16,651,629	18,967,402
Net position - unrestricted	1,890,158	6,526,176	8,416,334	10,151,695
Total net position	\$ 121,998,620	\$ 17,606,808	\$ 139,605,428	\$ 145,110,470

82.0% 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 12% 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, 6.0%, 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. Governmental activities expenses exceeded revenues and transfers in by \$(5,757,508). The decrease in Governmental Activities net position is due primarily to the increase in the County's proportionate

share of the Florida State Retirement System net pension liability in the financial statements for the fiscal year ended September 30, 2019. There was an increase in Business-type Activities net position of \$252,466.

Changes in Net Position

	Governmental	Business-type	Total Government	
	Activities	Activities	2019	2018
Revenues:				
Program revenues				
Charges for services	\$ 17,583,004	\$ 3,739,179	\$ 21,322,183	\$ 22,306,424
Operating grants/ contributions	1,737,397	90,909	1,828,306	2,232,440
Capital grants/contributions	4,587,510	4,594	4,592,104	1,900,668
General revenues				
Property taxes	20,005,264	-	20,005,264	18,777,843
Sales and use taxes	15,009,863	-	15,009,863	14,614,699
Federal and State shared revenues	12,736,919	-	12,736,919	12,033,229
Interest	1,146,292	571,565	1,717,857	573,650
Other	1,364,512	19,071	1,383,583	1,458,832
Total revenues	74,170,761	4,425,318	78,596,079	73,897,785
Expenses:				
General government	12,402,364	-	12,367,295	11,794,856
Public safety	32,243,013	-	32,243,013	29,224,223
Physical environment	5,183,087	4,331,512	9,514,599	8,495,427
Transportation	17,606,926	-	17,746,484	15,324,918
Economic environment	1,993,082	-	1,993,082	2,001,826
Human services	2,717,424	-	2,717,424	2,682,829
Culture/recreation	3,027,929	-	3,027,929	2,870,307
Court related	2,475,442	-	2,475,442	2,238,904
Interest on long-term debt	272,081	-	272,081	297,307
(Loss) on disposition of fixed assets	1,848,261	-	1,744,965	-
Total expenses	79,769,609	4,331,512	84,101,121	74,930,597
Transfers in (out)	(158,660)	158,660	-	-
Increase (decrease) in net position	\$ (5,757,508)	\$ 252,466	\$ (5,505,042)	\$ (1,032,812)

Property taxes provide 27% of the revenues for Governmental Activities, while sales taxes provide 20%. Most of the Governmental Activities resources are spent for Public Safety (40.42%), General Government (15.55%), Transportation (22.07%), and Physical Environment (6.50%).

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, 2019, total assets were \$19,718,148 and total liabilities were \$516,805. The ending fund balance was \$19,201,343; \$56,051 of which is restricted and an additional amount of \$5,068,843 was committed or assigned for specified projects.

During the year ended September 30, 2019, total revenues, \$35,156,602, exceeded total expenditures, \$13,068,530, by \$22,088,072. \$20,662,660 was transferred to other funds for operational and capital related purposes and \$4,564,851 was transferred in. There was a sale of fixed assets of \$682. The net increase in the fund balance in the General Fund was therefore, \$5,990,945.

During the fiscal year, the County amended and increased the General Fund budget by \$4,493,784, primarily due to recreation and general government projects

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 and transfers out exceeded revenues and a gain on disposition of equipment by (\$479,502), resulting in an ending fund balance of \$5,041,980.

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, 2019 revenues and transfers in exceeded expenditures and a transfer out by \$244,080.

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 \$16,034,961 and by law this fund has no ending fund balance.

The *Clerk of Courts General Fund* is the general operating fund of the Clerk of the Circuit Court, a Constitutional Officer. The primary source of funds are various court related fees and service charges and transfers from the Board of County Commission General Fund. Expenditures for the year were \$2,338,289 and this fund also has no ending fund balance.

The *Sheriff Special Revenue Fund* accounts for the residual budget funds of the Sheriff under a prior interlocal agreement between the Sheriff and the Board of County Commissioners. During the year, transfers out exceeded transfers in by \$3,505,288, leaving an ending fund balance of \$0.

The *Jail Construction Fund* accounts for the construction activities related to the renovation of the existing County Detention Center. During the year, revenues and transfers in were less than expenditures by \$(1,080,000), leaving an ending fund balance of \$9,861,161.

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 and transfers out by \$2,022,756 leaving an ending fund balance of \$5,485,729.

General Fund Budget

Actual revenues for the General Fund exceeded budgeted revenue by \$1,559,536. Budgeted expenditures were greater than actual by \$2,535,318. This was primarily due to capital projects which were not completed in the 2019 fiscal year. Transfers in exceeded the budget by \$4,227,213 and transfers out were less than budget by \$11,896.

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, 2019, were \$22,906,282, total liabilities were \$8,725,725, net deferred outflows/inflows related to the Florida State Retirement System pension liability were \$99,835 and net position was \$14,280,392. Total income, including gains on dispositions, interest and grants, was \$4,248,724 and total expenses were \$3,800,932; net transfers were \$(16,340) leaving a change in net position of \$431,452. This brought net position to \$14,280,392.

The *Utilities Fund* accounts for the financial activities associated with the County operated water and sewer services. Total assets at September 30, 2019 were \$5,917,046, total liabilities were \$2,590,630, and net position was \$3,326,416. Total income and transfers in were \$351,594. Total expenses, including interest expense, were \$530,580, leaving a net change in net position of \$(178,986).

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2019, is \$119,086,637 (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.

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, 2019, compared to the prior year:

Capital Assets

	Governmental Activities	Business-type Activities	Total Government	
			2019	2018
Land and land interests	\$ 12,344,790	\$ 2,087,118	\$ 14,431,908	\$ 13,441,128
Construction in progress	18,694,908	61,750	18,756,658	15,703,706
Infrastructure	181,611,339	-	181,611,339	180,943,189
Buildings and improvements	50,044,904	18,571,046	68,615,950	68,579,732
Equipment	31,172,510	3,876,737	35,049,247	32,668,253
	<u>293,868,451</u>	<u>24,596,651</u>	<u>318,465,102</u>	<u>311,336,008</u>
Less accumulated depreciation	(174,781,814)	(13,135,342)	(187,917,156)	(177,423,775)
Total	<u>\$ 119,086,637</u>	<u>\$ 11,461,309</u>	<u>\$ 130,547,946</u>	<u>\$ 133,912,233</u>

DEBT MANAGEMENT

Governmental Activities Debt

During the year, total long-term debt increased by \$3,250,421. This was primarily due to the increase in the net pension liability of the Florida State Retirement Pension Plan. The following schedule shows the balances of the County's long-term debt at year end:

Revenue bonds	\$ 13,859,239
Capital leases	1,770,565
Compensated absences	2,282,948
County's proportionate share FRS pension liability	42,070,075
Other post-employment benefits	290,532
	<u>\$ 60,273,359</u>

Business-type Activities Debt

The County has received loans from the Florida Department of Environmental Protection in support of its utility services. The total balances payable of these loans was \$877,939 at September 30, 2019.

The County also had a liability for compensated absences of \$43,371 of which \$6,506 was long-term and an estimated landfill closure and post-closure liability \$8,132,907 at year end. The enterprise fund share of the County's proportionate share of the FRS pension liability was \$393,875.

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The current unemployment rate for the County, was 3.0%.
- The estimated population for the County in 2019 was 71,686.
- The ad valorem tax millage rate for the County was 8.015 mills in 2019, 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, 2019

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current Assets			
Cash	\$ 21,833,681	\$ 1,495,753	\$ 23,329,434
Interest receivable	2,127	-	2,127
Accounts receivable, net	207,148	538,001	745,149
Internal balances	1,453,869	(1,453,869)	-
Due from agency funds	382,490	-	382,490
Due from other governmental units	2,410,134	-	2,410,134
Inventories	104,107	-	104,107
Prepaid expenses	380,946	-	380,946
Investments	29,284,318	6,952,204	36,236,522
Other current assets	35,147	-	35,147
Total current assets	56,093,967	7,532,089	63,626,056
Noncurrent Assets			
Restricted assets			
Cash	-	98,344	98,344
Investments	-	7,780,455	7,780,455
Total restricted assets	-	7,878,799	7,878,799
Notes receivable	41,518	-	41,518
Capital assets, net	119,086,637	11,958,571	131,045,208
Total noncurrent assets	119,128,155	19,837,370	138,965,525
Total assets	175,222,122	27,369,459	202,591,581
DEFERRED OUTFLOWS OF RESOURCES			
County's proportionate share of FRS pension related	14,425,241	134,873	14,560,114
LIABILITIES			
Current Liabilities			
Accounts payable	2,138,209	373,773	2,511,982
Accrued wages	143,603	7,796	151,399
Accrued payroll liabilities	790,768	-	790,768
Due to other governmental units	264,620	-	264,620
Accrued compensated absences	342,820	6,506	349,326
Interest payable	62,347	4,173	66,520
Deposits	3,200	28,652	31,852
Unearned revenue	225,484	-	225,484
Current portion County's proportionate share FRS pension liability	2,581,676	24,171	2,605,847
OPEB Liability	30,592	-	30,592
Other current liabilities	335	-	335
Total current liabilities	6,583,654	445,071	7,028,725
Current Liabilities Payable from Restricted Assets			
Landfill postclosure costs	-	1,192,183	1,192,183
	-	1,192,183	1,192,183
Noncurrent Liabilities			
Due within one year:			
Notes and loans payable	-	118,648	118,648
Capital leases	627,279	-	627,279
Bonds payable	1,361,632	-	1,361,632
Due in more than one year:			
Notes and loans payable	-	759,291	759,291
Capital leases	1,143,285	-	1,143,285
Bonds payable	12,497,608	-	12,497,608
Accrued compensated absences	1,940,128	36,865	1,976,993
OPEB Liability	259,760	-	259,760
Estimated landfill closure liability	-	6,940,724	6,940,724
County proportionate share FRS pension liability	39,488,399	369,704	39,858,103
Total noncurrent liabilities	57,318,091	8,225,232	65,543,323
Total liabilities	63,901,745	9,862,486	73,764,231

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET POSITION

September 30, 2019

	Governmental Activities	Business - type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
County's proportionate share of FRS pension related and OPEB	\$ 3,746,998	\$ 35,038	\$ 3,782,036
NET POSITION			
Invested in capital assets, net of related debt	103,456,833	11,080,632	114,537,465
Restricted	16,639,933	-	16,639,933
Unrestricted	1,901,854	6,526,176	8,428,030
Total net position	\$ 121,998,620	\$ 17,606,808	\$ 139,605,428

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2019**

	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	Sheriff Special Revenue	Jail Construction			Road Improvement
ASSETS										
Cash	\$ 4,099,305	\$ 253,499	\$ 2,345,090	\$ 390,659	\$ 1,439,870	\$ 3,530,289	\$ 2,898,562	\$ 468,599	\$ 6,407,808	\$ 21,833,681
Interest receivable	18,210	-	-	-	-	-	-	2,127	-	20,337
Accounts receivable	163,670	24,903	380	-	-	-	13,808	-	4,387	207,148
Notes receivable	-	-	-	-	-	-	-	-	41,518	41,518
Due from other funds	5,310,303	-	510,087	135,248	3,716	155,615	-	-	107,467	6,222,436
Due from other governmental units	1,364,473	582,243	74,170	19,478	38,323	-	-	83,399	248,048	2,410,134
Inventories	-	104,107	-	-	-	-	-	-	-	104,107
Prepaid expenses	2,482	355,623	-	-	-	-	-	-	22,841	380,946
Investments	8,756,705	3,941,645	1,700,376	-	-	-	7,000,000	5,098,565	2,787,027	29,284,318
Other current assets	3,000	4,914	1,702	-	7,501	-	-	-	-	17,117
Total assets	\$ 19,718,148	\$ 5,266,934	\$ 4,631,805	\$ 545,385	\$ 1,489,410	\$ 3,685,904	\$ 9,912,370	\$ 5,652,690	\$ 9,619,096	\$ 60,521,742
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ 418,960	\$ 185,327	\$ 343,413	\$ 8,598	\$ 653,379	\$ -	\$ 50,484	\$ 166,961	\$ 311,418	\$ 2,138,540
Due to other funds	-	-	-	168,710	155,615	3,685,904	-	1,750	374,098	4,386,077
Due to other governmental units	-	-	-	242,304	-	-	-	-	22,316	264,620
Accrued wages	74,051	-	51,318	-	-	-	725	-	17,509	143,603
Accrued payroll liabilities	23,614	39,627	6,385	-	680,416	-	-	-	40,395	790,437
Deposits	-	-	-	-	-	-	-	-	3,200	3,200
Unearned revenues	-	-	15,537	125,773	-	-	-	-	84,174	225,484
Other current liabilities	180	-	335	-	-	-	-	-	-	515
Total liabilities	516,805	224,954	416,988	545,385	1,489,410	3,685,904	51,209	168,711	853,110	7,952,476
Fund balances										
Nonspendable:										
Inventories	-	104,107	-	-	-	-	-	-	-	104,107
Notes receivable	-	-	-	-	-	-	-	-	41,518	41,518
Prepaid expenses	2,482	355,623	-	-	-	-	-	-	22,841	380,946
Advance	971,030	-	-	-	-	-	-	-	-	971,030
Restricted	56,051	4,582,250	4,214,817	-	-	-	-	-	7,798,511	16,651,629
Committed	940,532	-	-	-	-	-	-	-	-	940,532
Assigned	4,128,311	-	-	-	-	-	9,861,161	5,483,979	903,116	20,376,567
Unassigned	13,102,937	-	-	-	-	-	-	-	-	13,102,937
Total fund balances	19,201,343	5,041,980	4,214,817	-	-	-	9,861,161	5,483,979	8,765,986	52,569,266
Total liabilities and fund balances	\$ 19,718,148	\$ 5,266,934	\$ 4,631,805	\$ 545,385	\$ 1,489,410	\$ 3,685,904	\$ 9,912,370	\$ 5,652,690	\$ 9,619,096	

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: 119,086,637

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

Interest payable (62,347)

Bonds payable (13,859,240)

Capital leases (1,770,564)

Accrued compensated absences (2,282,948)

County's proportionate share of FRS net pension liability and related deferred outflows/inflows of resources (31,391,832)

OPEB obligation (290,352)

Net position of governmental activities \$ 121,998,620

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2019

	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	Sheriff Special Revenue	Jail Construction	Road Improvement		
REVENUES										
Taxes	\$ 25,108,293	\$ 4,773,766	\$ 1,076,498	\$ -	\$ -	\$ -	\$ -	\$ 671,296	\$ 3,656,858	\$ 35,286,711
Licenses and permits, special assessments	19,673	-	10,029,458	-	-	-	-	-	18,639	10,067,770
Intergovernmental	6,511,317	4,450,395	262,023	149,366	52,226	-	-	3,215,551	3,043,953	17,684,831
Charges for services	2,747,192	7,425	81,729	1,603,066	180,566	-	-	-	2,726,750	7,346,728
Fines and forfeitures	65,764	-	-	161,497	-	-	-	-	55,799	283,060
Interest	485,671	97,181	131,683	-	1,550	-	156,485	108,922	164,800	1,146,292
Miscellaneous	218,692	244,081	25,970	-	167,467	-	-	143,748	85,432	885,390
Total revenues	35,156,602	9,572,848	11,607,361	1,913,929	401,809	-	156,485	4,139,517	9,752,231	72,700,782
EXPENDITURES										
Current expenditures										
General government	4,986,933	-	61,135	697,944	-	-	-	-	4,885,184	10,631,196
Public safety	2,986,297	-	6,536,151	-	15,560,840	-	58,174	-	1,520,479	26,661,941
Physical environment	1,298,501	-	3,726,778	-	-	-	-	-	-	5,025,279
Transportation	-	6,724,509	-	-	-	-	-	2,878,454	2,486	9,605,449
Economic environment	189,572	-	18,169	-	-	-	-	-	1,622,903	1,830,644
Human services	2,623,630	-	-	-	-	-	-	-	31,000	2,654,630
Culture/recreation	680,288	-	-	-	-	-	-	-	1,899,381	2,579,669
Court-related	28,416	-	-	1,640,345	-	-	-	-	657,784	2,326,545
Capital outlay										
General government	48,663	-	-	-	-	-	-	-	49,898	98,561
Public safety	29,680	-	699,784	-	474,121	-	1,178,311	-	2,462,884	4,844,780
Physical environment	157,860	-	-	-	-	-	-	-	125,183	283,043
Transportation	-	670,795	-	-	-	-	-	2,353,557	16,261	3,040,613
Economic environment	-	-	-	-	-	-	-	-	49,840	49,840
Human services	38,690	-	-	-	-	-	-	-	-	38,690
Culture/recreation	-	-	-	-	-	-	-	-	259,777	259,777
Court related	-	-	-	-	-	-	-	-	42,042	42,042
Debt services										
Principal	-	138,381	296,776	-	-	-	-	-	888,263	1,323,420
Interest	-	44,346	44,394	-	-	-	-	-	183,341	272,081
Total expenditures	13,068,530	7,578,031	11,383,187	2,338,289	16,034,961	-	1,236,485	5,232,011	14,696,706	71,568,200
Excess of revenues over (under) expenditures	22,088,072	1,994,817	224,174	(424,360)	(15,633,152)	-	(1,080,000)	(1,092,494)	(4,944,475)	1,132,582
Other financing sources (uses)										
Sale of fixed assets	682	24,600	-	-	-	-	-	-	120,000	145,282
Interfund transfers in	4,564,851	32,750	31,669	593,070	15,633,152	15,966,882	975,000	3,310,500	3,615,073	44,722,947
Interfund transfers out	(20,662,660)	(2,531,669)	(11,763)	(168,710)	-	(19,472,170)	-	(197,000)	(1,828,100)	(44,872,072)
Total other financing sources (uses)	(16,097,127)	(2,474,319)	19,906	424,360	15,633,152	(3,505,288)	975,000	3,113,500	1,906,973	(3,843)
Net change in fund balances	5,990,945	(479,502)	244,080	-	-	(3,505,288)	(105,000)	2,021,006	(3,037,502)	1,128,739
Fund balances beginning of year	13,210,398	5,521,482	3,970,737	-	-	3,505,288	9,966,161	3,462,973	11,803,488	51,440,527
Fund balances end of year	\$ 19,201,343	\$ 5,041,980	\$ 4,214,817	\$ -	\$ -	\$ -	\$ 9,861,161	\$ 5,483,979	\$ 8,765,986	\$ 52,569,266
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, 2019

Net change in fund balances - total governmental funds \$ 1,128,739

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	\$ 8,554,787	
Less current year depreciation and adjustments	<u>(11,019,063)</u>	(2,464,276)

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. Debt proceeds increase fund balance in governmental funds but are increases in liabilities in the Statement of Net Position.

Capital lease principal payments and other reductions	138,381	
Bond principal payments	<u>1,185,039</u>	1,323,420

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	515	
Net change in accrued interest expense	(47,047)	
Net change in the OPEB obligation	(30,592)	
Net change in the County's proportionate share FRS pension liability and deferred outflows and inflows	<u>(5,822,370)</u>	(5,899,494)

Internal service fund equity transfer to the Florida Sheriffs Multiple Employer Trust

	<u>154,103</u>	
	<u>\$ (5,757,508)</u>	

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2019**

	Business type -Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Landfill Enterprise	Utilities	Total	
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,035,620	\$ 460,133	\$ 1,495,753	\$ -
Accounts receivable net of allowance for uncollectible accounts	522,284	15,717	538,001	-
Investments	6,952,204	-	6,952,204	-
Total current assets	8,510,108	475,850	8,985,958	-
Noncurrent Assets				
Restricted assets				
Cash	98,344	-	98,344	-
Investments	7,780,455	-	7,780,455	-
Total restricted assets	7,878,799	-	7,878,799	-
Fixed assets				
Land	908,279	1,178,839	2,087,118	-
Buildings	508,514	131,200	639,714	-
Improvements other than buildings	12,308,841	5,622,491	17,931,332	-
Equipment	3,820,886	55,851	3,876,737	-
Construction in progress	89,094	469,918	559,012	-
Allowance for depreciation	(11,118,239)	(2,017,103)	(13,135,342)	-
Total fixed assets	6,517,375	5,441,196	11,958,571	-
Total noncurrent assets	14,396,174	5,441,196	19,837,370	-
Total assets	22,906,282	5,917,046	28,823,328	-
DEFERRED OUTFLOWS OF RESOURCES				
Florida Retirement System pension related	134,873	-	134,873	-
LIABILITIES				
Current Liabilities				
Accounts payable	128,504	245,269	373,773	-
Accrued wages	7,796	-	7,796	-
Due to other funds	-	1,453,869	1,453,869	-
Interest payable	-	4,173	4,173	-
Accrued compensated absences	6,506	-	6,506	-
Deposits	19,272	9,380	28,652	-
Note payable, short-term portion	-	118,648	118,648	-
Current portion County's share FRS net pension liability	24,171	-	24,171	-
Total current liabilities	186,249	1,831,339	2,017,588	-
Current Liabilities Payable from Restricted Assets				
Landfill postclosure costs	1,192,183	-	1,192,183	-
Total current liabilities payable from restricted assets	1,192,183	-	1,192,183	-

(Continued)

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2019**

	Business type -Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Landfill Enterprise	Utilities	Total	
Noncurrent Liabilities				
Share of Florida State Retirement pension liability	\$ 369,704	\$ -	\$ 369,704	\$ -
Loan payable Department of Environmental Protection	-	759,291	759,291	-
Estimated landfill closure liability	6,940,724	-	6,940,724	-
Accrued compensated absences	36,865	-	36,865	-
Total noncurrent liabilities	7,347,293	759,291	8,106,584	-
Total liabilities	8,725,725	2,590,630	11,316,355	-
 DEFERRED INFLOWS OF RESOURCES				
Florida Retirement System pension related	35,038	-	35,038	-
 NET POSITION				
Invested in capital assets, net of related debt	6,517,375	4,563,257	11,080,632	-
Unrestricted (deficit)	7,763,017	(1,236,841)	6,526,176	-
Total net position	\$ 14,280,392	\$ 3,326,416	\$ 17,606,808	\$ -

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, 2019**

	<u>Enterprise Funds</u>			Governmental Activities - Internal Service Fund
	<u>Landfill Enterprise</u>	<u>Utilities</u>	<u>Totals</u>	
OPERATING REVENUES				
Licenses and permits	\$ -	\$ 6,362	\$ 6,362	\$ -
Charges for services				
Physical environment				
Garbage/solid waste revenue	3,538,401	-	3,538,401	-
Water and wastewater revenue	-	153,039	153,039	-
Miscellaneous	41,160	217	41,377	-
Total operating revenues	<u>3,579,561</u>	<u>159,618</u>	<u>3,739,179</u>	<u>-</u>
OPERATING EXPENSES				
Landfill and water/wastewater utilities				
Personnel services	649,110	-	649,110	-
Operating expenses	2,527,302	223,253	2,750,555	-
Depreciation	624,520	285,026	909,546	-
Total landfill and water/wastewater utilities	<u>3,800,932</u>	<u>508,279</u>	<u>4,309,211</u>	<u>-</u>
Total operating expenses	<u>3,800,932</u>	<u>508,279</u>	<u>4,309,211</u>	<u>-</u>
Operating income (loss)	<u>(221,371)</u>	<u>(348,661)</u>	<u>(570,032)</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)				
State grants				
Physical environment	90,909	4,594	95,503	-
Gain (loss) on disposal of capital assets	19,071	-	19,071	-
Interest earnings	559,183	12,382	571,565	-
Debt service costs				
Interest	-	(22,301)	(22,301)	-
Total nonoperating revenues (expenses)	<u>669,163</u>	<u>(5,325)</u>	<u>663,838</u>	<u>-</u>
Change in net position before operating transfers	<u>447,792</u>	<u>(353,986)</u>	<u>93,806</u>	<u>-</u>
Transfer of equity to Florida Sheriff's				
Multiple Employer Trust	-	-	-	154,103
Operating transfers in	9,535	175,000	184,535	-
Operating transfers out	(25,875)	-	(25,875)	-
Change in net position after operating transfers	<u>431,452</u>	<u>(178,986)</u>	<u>252,466</u>	<u>154,103</u>
Net position at beginning of year	13,848,940	3,505,402	17,354,342	(154,103)
Net position at end of year	<u>\$ 14,280,392</u>	<u>\$ 3,326,416</u>	<u>\$ 17,606,808</u>	<u>\$ -</u>
See notes to financial statements.				

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2019

	Business - Type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Landfill Enterprise	Utilities	Total	
Cash Flows From Operating Activities				
Cash flows received from services	\$ 3,519,875	\$ 156,239	\$ 3,676,114	\$ -
Cash paid to employees	(430,973)	-	(430,973)	-
Cash paid for employee benefits	(189,819)	-	(189,819)	-
Cash paid to vendors	(1,494,274)	(954)	(1,495,228)	-
Net cash provided by operating activities	<u>1,404,809</u>	<u>155,285</u>	<u>1,560,094</u>	<u>-</u>
Cash Flows From Noncapital Financing Activities				
State grants received	90,909	4,594	95,503	-
Transfer to Florida Sheriffs Multiple Employers Trust	-	-	-	(35,538)
Transfers in/(out) from/to other funds	(25,875)	175,000	149,125	-
Net cash provided by noncapital financing activities	<u>65,034</u>	<u>179,594</u>	<u>244,628</u>	<u>(35,538)</u>
Cash Flows From Capital and Related Financing Activities				
Payments to acquire or construct capital assets	(27,344)	(469,917)	(497,261)	-
Sale of surplus equipment	19,071	-	19,071	-
Principal paid on bonds	-	(89,701)	(89,701)	-
Interest paid on capital debt	-	(22,747)	(22,747)	-
Net cash used for capital and related financing activities	<u>(8,273)</u>	<u>(582,365)</u>	<u>(590,638)</u>	<u>-</u>
Cash Flows From Investing Activities				
Interest received	559,183	12,382	571,565	-
Increase in investments	(1,249,766)	-	(1,249,766)	-
Net cash provided by (used for) investing activities	<u>(690,583)</u>	<u>12,382</u>	<u>(678,201)</u>	<u>-</u>
Net increase (decrease) in cash	770,987	(235,104)	535,883	(35,538)
Cash at beginning of year	<u>264,633</u>	<u>695,237</u>	<u>959,870</u>	<u>35,538</u>
Cash at end of year	<u>\$ 1,035,620</u>	<u>\$ 460,133</u>	<u>\$ 1,495,753</u>	<u>\$ -</u>
Shown in the financial statements as:				
Current assets				
Cash	\$ 1,035,620	\$ 460,133	\$ 1,495,753	\$ -
Noncurrent assets				
Restricted assets	98,344	-	98,344	-
	<u>\$ 1,133,964</u>	<u>\$ 460,133</u>	<u>\$ 1,594,097</u>	<u>\$ -</u>

(Continued)

COLUMBIA COUNTY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2019

	Business - Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Landfill Enterprise	Utilities	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ (221,371)	\$ (348,661)	\$ (570,032)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	624,520	285,026	909,546	-
Net pension liability	(10,500)	-	(10,500)	-
Deferred inflows and outflows of resources	29,072	-	29,072	-
Landfill post-closure liability	1,192,183	-	1,192,183	-
(Increase) decrease in assets:				
Accounts receivable	(60,586)	(3,649)	(64,235)	-
Increase (decrease) in liabilities:				
Accounts payable	(159,155)	222,299	63,144	-
Accrued wages	1,425	-	1,425	-
Accrued compensated absences	8,321	-	8,321	-
Deposits	900	270	1,170	-
Total adjustments	1,626,180	503,946	2,130,126	-
Net cash provided by (used for) operating activities	\$ 1,404,809	\$ 155,285	\$ 1,560,094	\$ -

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
September 30, 2019

ASSETS		
Cash	\$	3,818,481
Accounts receivable		8,928
Total assets	\$	3,827,409
LIABILITIES		
Accounts payable	\$	25,317
Cash bond liability		47,303
Court fees payable		108,435
Deposits held in escrow		143,486
Due to other funds		382,490
Due to other governmental units		2,119,424
Tax deeds payable		316,721
Other current liabilities		684,233
Total liabilities		3,827,409
NET POSITION	\$	-

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

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 there were no organizations that should be included in the County's financial statements as a component unit.

B. Measurement Focus and Basis of Accounting

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

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

1. Government-wide Financial Statements

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

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

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

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

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

2. Fund Financial Statements

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

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

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 75 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 (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

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

Noncurrent portions of other long-term receivables are offset by fund balance reserve accounts.

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

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

Proprietary Funds

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

Sheriff Special Revenue Fund - The Sheriff Special Revenue Fund is used to account for the funding of the Columbia County Sheriff's office by the Board of County Commissioners.

Jail Construction Fund - The Jail Construction Fund accounts for ongoing construction projects related to the County's jail facility.

Road Improvement Fund - The Road Improvement Fund accounts for the ongoing resurfacing and improvements to various roads within the County. Financing is provided by State construction grants and various transfers from other County funds.

2. Proprietary Funds:

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

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

3. Non-current Governmental Assets/Liabilities:

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

D. Assets, Liabilities and Net Position or Equity

1. Cash and Cash Equivalents

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

2. Investments

Investments, consisting of investments in the Florida Local Government Surplus Funds Trust Fund and Florida Counties Investment Trust Fund and 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, 2019, this allowance was \$15,606. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2019.

4. Receivables and Payables

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

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

5. Inventories

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

6. Restricted Assets

Certain net 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:

Assets	Years
Building and improvements	5 - 40
Machinery and equipment	3 - 12
Road and bridge construction	20 - 40

9. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred charge on refunding, if any, is reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

10. Net position flow assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

11. Fund balance flow assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

12. Program revenue

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by given function or segments and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes and other internally dedicated resources are reported as general revenues rather than as program revenues.

13. Capitalization of Interest

Interest costs related to bond issues are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments.

14. Unearned Revenues

Unearned revenues reported in government-wide financial statements represent revenues received, but not earned in accordance with grant or other contractual requirements. These unearned revenues reported in governmental fund financial statements represent amounts which are measurable but not available and, in accordance with the modified accrual basis of accounting, are recognized as revenue in the fiscal year in which they are earned.

15. Accrued Compensated Absences

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

16. 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, 2019.

17. 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.

18. Capital Contributions

The capital contributions from developers 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, \$52,569,266 differs from “net position” of governmental activities, \$121,998,620, 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	\$ 293,868,451
Accumulated depreciation	(174,781,814)
Total	<u>\$ 119,086,637</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, 2019, were:

Revenue notes/Bonds payable	\$ 13,859,240
Accrued interest	62,347
Capital leases payable	1,770,564
Compensated absences	2,282,948
OPEB Liability	290,352
County's proportionate share FRS net pension liability	42,070,075
Total	<u>\$ 60,335,526</u>

Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position in a future period while deferred inflows of resources represent an acquisition of net position in a future period and accordingly, are not reported in the governmental fund statements. However, the statement of net position includes those deferred outflows /inflows of resources.

Deferred outflows of resources	\$ 14,425,241
Deferred inflows of resources	<u>(3,746,998)</u>
	<u>\$ 10,678,243</u>

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of \$4,384,327 between governmental funds must be eliminated for the statement of net position.

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	Deferred Outflow/Inflows of Resources	Internal Service Fund	Reclassifications and Eliminations	Statement of Net Position
ASSETS							
Cash and cash equivalents	\$ 21,833,681	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,833,681
Interest receivable	2,127	-	-	-	-	-	2,127
Accounts receivable - net	207,148	-	-	-	-	-	207,148
Due from other funds	6,220,686	-	-	-	-	(4,384,327)	1,836,359
Due from other governmental units	2,410,134	-	-	-	-	-	2,410,134
Note receivable	41,518	-	-	-	-	-	41,518
Investments	29,284,318	-	-	-	-	-	29,284,318
Inventories	104,107	-	-	-	-	-	104,107
Prepaid expense	380,946	-	-	-	-	-	380,946
Other current assets	35,147	-	-	-	-	-	35,147
Capital assets - net	-	119,086,637	-	-	-	-	119,086,637
Total assets	60,519,812	119,086,637	-	-	-	(4,384,327)	175,222,122
DEFERRED OUTFLOWS OF RESOURCES							
	-	-	-	14,425,241	-	-	14,425,241
LIABILITIES							
Liabilities:							
Accounts payable	\$ 2,138,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,138,209
Due to other funds	4,384,327	-	-	-	-	(4,384,327)	-
Due to other governmental units	264,620	-	-	-	-	-	264,620
Accrued wages	143,603	-	-	-	-	-	143,603
Accrued payroll liabilities	790,768	-	-	-	-	-	790,768
Deposits	3,200	-	-	-	-	-	3,200
Unearned revenues	225,484	-	-	-	-	-	225,484
Other current liabilities	335	-	-	-	-	-	335
Accrued interest	-	-	62,347	-	-	-	62,347
Accrued compensated absences	-	-	2,282,948	-	-	-	2,282,948
Line of credit	-	-	-	-	-	-	-
Capital leases payable	-	-	1,770,564	-	-	-	1,770,564
Revenue bonds payable	-	-	13,859,240	-	-	-	13,859,240
OPEB liability	-	-	290,352	-	-	-	290,352
County's proportionate share FRS pension plan	-	-	42,070,075	-	-	-	42,070,075
Total liabilities	7,950,546	-	60,335,526	-	-	(4,384,327)	63,901,745
DEFERRED INFLOW OF RESOURCES							
	-	-	-	3,746,998	-	-	3,746,998
Fund balances/net position	\$ 52,569,266	\$ 119,086,637	\$ (60,335,526)	\$ 10,678,243	\$ -	\$ -	\$ 121,998,620

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 \$1,128,739 differs from the “change in net position” for governmental activities \$(5,757,508) 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.

Capital outlay and other additions	9,870,663
Depreciation expense	(10,434,420)
Other additions and deletions	(1,900,519)
Difference	<u>\$ (2,464,276)</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. Loan proceeds are reported as other financing sources in the governmental funds but are recorded as liabilities in the statement of net position and do not result in resources in the statement of activities.

Debt reduction	<u>\$ 1,323,420</u>
	<u>\$ 1,323,420</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	\$ 515
Net change in accrued interest	(47,047)
Net change County's proportionate share FRS net pension liability	(4,543,249)
Net change pension and OPEB related deferred outflows/inflows	(1,279,121)
Net change in fund balance in OPEB liability	(30,592)
	<u>\$ (5,899,494)</u>

The Internal Service Fund was discontinued and the equity in the fund was transferred to a health insurance trust.

Equity transfer	<u>\$ 154,103</u>
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Reclassification and Eliminations

Transfers in and transfers out in the amount of \$44,697,072 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	Net Pension Liability	Deferred Outflows/ Inflows of Resources	OPEB Liability	Internal Service Fund	Reclassifications and Eliminations	Statement of Activities
REVENUES											
Taxes	\$ 35,286,711	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,286,711
Licenses and permits	10,067,770	-	-	-	-	-	-	-	-	-	10,067,770
Intergovernmental	17,684,831	-	-	-	-	-	-	-	-	-	17,684,831
Charges for services	7,346,728	-	-	-	-	-	-	-	-	-	7,346,728
Fines and forfeitures	283,060	-	-	-	-	-	-	-	-	-	283,060
Interest	1,146,292	-	-	-	-	-	-	-	-	-	1,146,292
Miscellaneous	885,390	1,315,876	-	-	-	-	-	-	-	-	2,201,266
Total revenues	72,700,782	1,315,876	-	-	-	-	-	-	-	-	74,016,658
EXPENDITURES											
Current Expenditures											
General government	10,596,127	760,623	-	(122,249)	-	872,121	230,081	30,592	-	-	12,367,295
Public safety	26,661,941	1,447,588	-	114,719	55,975	3,082,188	880,602	-	-	-	32,243,013
Physical environment	5,023,349	72,625	-	678	-	65,711	18,794	-	-	-	5,181,157
Transportation	9,745,007	7,653,783	-	12,800	(8,928)	267,357	76,465	-	-	-	17,746,484
Economic environment	1,830,644	99,340	-	1,163	-	48,161	13,774	-	-	-	1,993,082
Human services	2,654,630	59,768	-	-	-	2,353	673	-	-	-	2,717,424
Culture/recreation	2,579,669	340,693	-	(7,684)	-	89,619	25,632	-	-	-	3,027,929
Court related	2,326,545	-	-	58	-	115,739	33,100	-	-	-	2,475,442
Capital outlay											
General government	133,630	(133,630)	-	-	-	-	-	-	-	-	-
Public safety	4,844,780	(4,844,780)	-	-	-	-	-	-	-	-	-
Physical environment	286,723	(286,723)	-	-	-	-	-	-	-	-	-
Transportation	2,899,305	(2,899,305)	-	-	-	-	-	-	-	-	-
Economic environment	49,840	(49,840)	-	-	-	-	-	-	-	-	-
Human services	38,690	(38,690)	-	-	-	-	-	-	-	-	-
Culture/recreation	259,777	(259,777)	-	-	-	-	-	-	-	-	-
Court-related	42,042	(42,042)	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	1,323,420	-	(1,323,420)	-	-	-	-	-	-	-	-
Interest	272,081	-	-	-	-	-	-	-	-	-	272,081
Total expenditures	71,568,200	1,879,633	(1,323,420)	(515)	47,047	4,543,249	1,279,121	30,592	-	-	78,023,907
Excess of revenues over (under) expenditures	1,132,582	(563,757)	1,323,420	515	(47,047)	(4,543,249)	(1,279,121)	(30,592)	-	-	(4,007,249)
OTHER FINANCING SOURCES (USES)											
Gain/loss on disposition of fixed assets	145,282	(1,890,984)	-	-	-	-	-	-	-	-	(1,745,702)
Transfers in	44,722,947	-	-	-	-	-	-	-	-	(44,697,072)	25,875
Transfers out	(44,872,072)	(9,535)	-	-	-	-	-	-	-	44,697,072	(184,535)
Transfer of equity in Internal Service Fund to FSMET	-	-	-	-	-	-	-	-	154,103	-	154,103
Total other financing sources (uses) and special item	(3,843)	(1,900,519)	-	-	-	-	-	-	154,103	-	(1,750,259)
Net change in fund balances	1,128,739	(2,464,276)	1,323,420	515	(47,047)	(4,543,249)	(1,279,121)	(30,592)	154,103	-	(5,757,508)
Fund balances at beginning of year	51,440,527	121,550,913	(16,953,224)	(2,283,463)	(15,300)	(37,526,826)	11,957,364	(259,760)	(154,103)	-	127,756,128
Fund balances/net position at end of year	\$ 52,569,266	\$ 119,086,637	\$ (15,629,804)	\$ (2,282,948)	\$ (62,347)	\$ (42,070,075)	\$ 10,678,243	\$ (290,352)	\$ -	\$ -	\$121,998,620

COLUMBIA COUNTY, FLORIDA

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

1. Prior to September 15, the County Manager serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.
6. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2019, 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, 2019.

	Appropriations	Expenses and Transfers out	Variance Positive (Negative)
Enterprise funds			
Landfill enterprise	\$ 4,116,864	\$ 3,826,807	\$ 290,057
Utilities	2,520,095	530,580	1,989,515
	<u>\$ 6,636,959</u>	<u>\$ 4,357,387</u>	<u>\$ 2,279,572</u>

NOTE 4. CASH, CASH EQUIVALENTS 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. Deposits

At September 30, 2019, the carrying amount of the County's deposits was \$ 27,246,259. 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 only in these types of instruments at September 30, 2019.

In accordance with generally accepted accounting principles, the County's investments are categorized 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.

Florida PRIME

The County's investment in Florida PRIME is administered by the Florida State Board of Administration (SBA). Florida PRIME is an external investment pool that is not a registrant with the SEC; however, the SBA has adopted operating procedures consistent with the requirements for a SEC Rule 2a-7 fund. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general

operating procedures for the administration of Florida PRIME. Additionally, the State of Florida, Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Throughout the year and as of September 30, 2019, Florida PRIME contained certain floating rate and adjustable rate securities that were indexed based on the prime rate and/or one-and three-month LIBOR. These floating rate and adjustable rate securities are used to hedge against interest risk and provide diversification to the portfolio. Exposure to a single issuer is limited to 5% of the portfolio's amortized cost. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form. At September 30, 2019, the County had \$39,258 invested in Florida PRIME. Florida PRIME's most recent financial statements can be found at <https://www.sbafla.com/prime/Audits/tabid/582Default.aspx>.

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.

Credit Risk. Investments in the Florida State Board of Administration Pools (SBA) consist of the Local Government Surplus Funds Trust (Florida PRIME). The Florida PRIME is rated by Standard and Poors. The current rating is AAAM. The Investment Manager of the Florida PRIME manages credit risk by purchasing only high quality securities, performing a credit analysis to develop a database of issuers and securities that meet the Investment Manager's minimum standard and by regularly reviewing the portfolio's securities financial data, issuer news and developments, and ratings of the nationally recognized statistical rating organizations.

Fair Value Measurements

In February 2015, GASB issued GASB Statement No. 72. GASB 72 applicability related to the application of fair value is limited to assets and liabilities that are currently measured at fair value and certain investments that are not currently measured at fair value.

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the participant account balance is considered the fair value of the investment. Florida PRIME investment is exempt from the GASB 72 fair value hierarchy disclosures.

As of September 30, 2019, the County's investment in the Florida PRIME investment pool is rated AAAM by Standard & Poors.

Investment Objective

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Investment performance of Florida PRIME will be evaluated on a monthly basis against the Standard & Poors U.S. AAA & AA Rated GIP All 30 Day Net Yield Index. While there is no assurance that Florida PRIME will achieve its investment objectives, it endeavors to do so by following the investment strategies described in the investment policy.

Interest Rate Risk

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2019, is 37 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2019, is 85 days.

Foreign Currency Risk

Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2018 through September 30, 2019.

Securities Lending

Florida PRIME did not participate in a securities lending program in the period October 1, 2018 through September 30, 2019.

Fair Value Hierarchy

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost; therefore, participant account balances should be also reported at amortized cost.

The Florida Local Government Investment Trust Fund (Trust)

The Florida Local Government Investment Trust (Florida Trust) is a local government investment pool (LGIP) developed through the joint efforts of the Florida Court Clerks and Comptrollers (FCCC) and the Florida Association of Counties (FAC). Organized on December 12, 1991, The Florida Trust is designed to complement existing investment programs by providing investment vehicles for funds that can be invested in short- to intermediate-term securities and have returns generally greater than the national average for money market instruments. The Florida Trust offers two open-ended, professionally managed funds available only to public entities in Florida, the Short-term Bond Fund and the Day to Day Fund. The Short-term bond fund is rated AAf/ S1 by Fitch Ratings' Agency and structured to maintain liquidity, safety of principal, and maximize available yield through a balance of quality and diversification. This fund invests primarily in U.S. Treasuries, Mortgages, Commercial Paper, Government Related Securities, Asset-Backed Securities rated AAA or A-1, and Corporate Bonds rated A or better by Fitch Ratings. As of September 30, 2019, the Short-term bond fund had investments, at fair value, of approximately \$827,170,404. Of the total investments in this Fund 32.49% was invested in U.S. Treasury Notes. 22.28% was invested in asset backed securities, 21.51% was invested in corporates, 16.24% was invested in government related securities, 4.08% was invested in U.S. Agency notes, .65% was invested in money market funds, .49% was invested in CMO's, 1.27% was invested in Agency ARM and 1% was invested in municipal bonds. The Florida Trust Day to Day Fund had a net position of \$596,573,601. The Day

to Day Fund is a Fitch AAAM rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity was 30.45 days as of September 30, 2019. Investments both funds are reported at fair value based on the fair value per share of the underlying portfolio. Of the total investments Day to Day Fund 14.24% was invested in U.S. Treasury Notes, 21.12% was invested in commercial paper, 27.66% was invested in repurchase agreements, 5.30% was invested in government related securities, 10.37% was invested in Corporates, .09% was invested in money market funds, 2.39% was invested in CMO's, 8.61% was invested in Certificates of Deposit, 8.45% was invested in Asset Backed Securities and 1.77% was invested in Municipals.

As of September 30, 2019, the County had investments with the following issuers in the percentages of total investments and categories shown below:

Schedule of Investments at September 30, 2019

Investment	Maturities	Fair Value	Percent	Category
State Board of Administration Local Government				
Local Government Surplus Trust Fund Florida PRIME	37 Day Average	\$ 39,258	0.09%	-
Florida Local Government Short term Bond Fund	2.0 Year Average	20,859,151	47.39%	-
Florida Local Government Day to Day Fund	30.45 Day Average	3,954,380	8.98%	-
Certificates of Deposit, Money Market	Daily - 36 months	19,164,188	43.54%	1
Total Investments		\$ 44,016,977	100.00%	

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 2018-2019 fiscal year were levied in October 2018. 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, 2019, was as follows:

	Beginning Balance	Contributions	Additions	Reclassifications/ Adjustments	Deletions	Balance
Governmental activities:						
Capital assets:						
Land	\$ 9,834,410	\$ -	\$ 990,780	\$ -	\$ -	10,825,190
Land interests	1,519,600	-	-	-	-	1,519,600
Buildings	50,008,686	-	1,166,638	-	(1,130,420)	50,044,904
Improvements other than buildings	10,925,333	-	668,150	-	-	11,593,483
Road improvements	170,017,856	-	-	-	-	170,017,856
Construction in progress	15,641,956	-	6,851,706	(3,798,754)	-	18,694,908
Equipment	20,879,311	-	1,976,514	41,750	(1,135,315)	21,762,260
Sheriff capital assets	7,814,830	1,315,876	533,381	-	(253,836)	9,410,251
Total capital assets	286,641,982	1,315,876	12,187,168	(3,757,004)	(2,519,571)	293,868,451
Accumulated depreciation	(158,891,317)	-	(9,830,022)	(51,896)	564,473	(168,208,763)
Accumulated depreciation Sheriff	(6,199,752)	-	(604,397)	-	231,098	(6,573,051)
TOTAL	(165,091,069)	-	(10,434,419)	(51,896)	795,571	(174,781,814)
Governmental activities capital assets, net	\$ 121,550,913	\$ 1,315,876	\$ 1,752,749	\$ (3,808,900)	\$ (1,724,000)	\$ 119,086,637
Business-type activities:						
Land	\$ 2,087,118	\$ -	\$ -	\$ -	\$ -	\$ 2,087,118
Equipment	3,974,112	-	-	(2,381)	(94,994)	3,876,737
Buildings	639,714	-	-	-	-	639,714
Improvements	17,931,332	-	-	-	-	17,931,332
Construction in progress	61,750	-	-	-	-	61,750
Total capital assets	24,694,026	-	-	(2,381)	(94,994)	24,596,651
Less accumulated depreciation	(12,332,706)	-	(909,546)	11,916	94,994	(13,135,342)
Business-type activities capital assets, net	\$ 12,361,320	\$ -	\$ (909,546)	\$ 9,535	\$ -	\$ 11,461,309

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

Governmental activities:	
General government	\$ 760,623
Public safety	1,447,588
Physical environment	72,625
Transportation	7,653,783
Economic environment	99,340
Human services	59,768
Culture/recreation	340,693
Total depreciation expense - governmental activities	\$ 10,434,419
Business -type activities:	
Landfill enterprise	624,520
Utilities enterprise	285,026
Total depreciation expense - business-type activities	\$ 909,546

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided and reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General fund	\$ 5,310,303	\$ -
Special revenue funds:		
Municipal services benefit unit	510,087	-
Court service fund	13,227	-
Sheriff special revenue	155,615	3,685,904
Sheriff:		
Operating	3,716	155,615
Sheriff Inmate Welfare	31,219	.
Clerk of Courts:		
Operating	135,248	168,710
Public records modernization	11,260	-
Teen court	1,415	1,498
Property Appraiser operating	-	71,355
Supervisor of Elections operating	-	13,579
Tax Collector operating	48,501	287,666
Capital projects funds:		
Paving Assessments	95	-
County facilities fund	1,750	-
Road improvement fund	-	1,750
Agency funds:		
Clerk of Circuit Court		
Trust	-	183,494
Domestic relations	-	422
Sheriff		
Inmate trust	-	34,935
Tax Collector		
Ad valorem tax	-	145,914
Tag agency	-	17,725
Enterprise Fund:		
Utilities	-	1,453,869
Totals	<u>\$ 6,222,436</u>	<u>\$ 6,222,436</u>

* Not anticipated to be repaid within one year.

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2019, consisted of the following:

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.

Transfers from General Fund to:	
Clerk of Courts Operating Fund	\$ 593,070
Property Appraiser Operating Fund	1,632,163
Supervisor of Elections Operating Fund	819,491
Tax Collector Operating Fund	70,618
Sheriff Special Revenue	15,811,267
County Transportation Trust Fund	29,750
County Facilities Fund	895,800
Municipal Services Benefit Unit	810,500
Transfers from County Transportation Trust Fund to:	
Municipal Services Benefit Unit	31,669
Road Improvement Fund	2,500,000
Transfers from the Road Improvement Fund to:	
County Facilities Fund	197,000
Transfer from Tourist Development Operating Fund to:	
General Fund	300,000
Transfer from County Facilities Fund to:	
Jail Construction Fund	975,000
Transfer from Municipal Services Fund to:	
County Facilities Fund	11,763
Transfer from Sheriff Special Revenue Fund to:	
Sheriff Operating Fund	15,786,267
General Fund	3,685,904
Transfer from Special Law Enforcement Fund to:	
Sheriff Operating Fund	2,500
Transfer from Economic Development Debt Service Fund to:	
Utilities Fund	175,000
Transfer from Clerk Operating Fund to:	
General Fund	168,710
Transfers from the Landfill Enterprise Fund to:	
General Fund	25,875
Transfers from the Paving Assessments Fund to:	
County Transportation Trust Fund	3,000
Transfers from the Tax Collector Operating Fund to:	
General Fund	287,666
Transfers from the Supervisor of Elections Operating Fund to:	
General Fund	13,579
Transfer from the Property Appraiser Operating Fund to:	
General Fund	71,355
Total transfers	<u><u>\$ 44,897,947</u></u>

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

Receivables

Receivables at September 30, 2019, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
Governmental activities:			
General	\$ 163,670	\$ 1,364,473	\$ 1,528,143
County transportation trust	24,903	582,243	607,146
Municipal services	380	74,170	74,550
Sheriff operating	-	38,323	38,323
Clerk operating	-	19,478	19,478
Jail construction	13,808	-	13,808
Road improvements capital projects	-	83,399	83,399
Other governmental	4,387	248,048	252,435
Total governmental activities	\$ 207,148	\$ 2,410,134	\$ 2,617,282
Business-type activities:			
Landfill enterprise, net	\$ 522,284	\$ -	\$ 522,284
Utilities	15,717	-	15,717
Landfill enterprise	\$ 538,001	\$ -	\$ 538,001

The Board, upon past collection experience, considers all of the receivables of governmental activities to be fully collectible and has not recorded an allowance for doubtful accounts. The Landfill Enterprise Fund has an allowance for uncollectible account of \$15,606.

Payables at September 30, 2019, were as follows:

	Vendors	Due to Other Governmental Units	Total Payables
Governmental activities:			
General	\$ 418,629	\$ -	\$ 418,629
County transportation trust	185,327	-	185,327
Municipal services	343,413	-	343,413
Clerk of Court operating	8,598	242,304	250,902
Sheriff operating	653,379	-	653,379
Sheriff Special Revenue	-	-	-
Jail Construction	50,484	-	50,484
Road improvement	166,961	-	166,961
Other governmental	311,418	22,316	333,734
Total governmental activities	\$ 2,138,209	\$ 264,620	\$ 2,402,829
Business-type activities:			
Landfill enterprise	\$ 128,504	\$ -	\$ 128,504
Utilities	245,269	-	245,269
	\$ 373,773	\$ -	\$ 373,773

NOTE 10. LONG-TERM LIABILITIES

Governmental Activities

Revenue Bonds

- A. On July 12, 2016 the County closed on a Gas Tax Revenue Refunding Note, Series 2016, totaling \$6,000,000 with Hancock Bank. The purpose of this issuance was to refund debt and to finance certain additional transportation improvements. The first two cents of the County's local option gas tax imposed pursuant to Section 336.025, Florida Statutes, was pledged to secure payment of the principal and interest. The note is being repaid over ten years with an interest rate of 1.50%. The following is a schedule of future principal and interest to be paid on the note:

Year Ending September 30	Principal	Interest	Total
2020	\$ 588,000	\$ 58,895	\$ 646,895
2021	597,000	50,026	647,026
2022	606,000	41,014	647,014
2023	614,000	31,879	645,879
2024	624,000	22,602	646,602
2025	634,000	13,182	647,182
2026	483,000	3,620	486,620
Total	<u>\$ 4,146,000</u>	<u>\$ 221,218</u>	<u>\$ 4,367,218</u>

- B. On June 8, 2016 the County closed on a Capital Improvement Revenue Refunding Note, Series 2016, totaling \$3,515,370 with First Federal Bank. The purpose of this issuance was to refund the County's Revenue Bond Series 2008A. The note is being repaid over ten years with an interest rate of 1.749%. The following is a schedule of future principal and interest to be paid on the note:

Year Ending September 30	Principal	Interest	Total
2020	\$ 301,972	\$ 38,556	\$ 340,528
2021	307,398	33,311	340,709
2022	312,810	27,974	340,784
2023	318,317	22,542	340,859
2024	323,871	17,015	340,886
2025	329,623	11,391	341,014
2026	335,426	5,668	341,094
2027	118,629	729	119,358
Total	<u>\$2,348,046</u>	<u>\$ 157,186</u>	<u>\$ 2,505,232</u>

- C. On December 15, 2017 the County closed on a Capital Improvement Revenue Note, totaling \$8,060,00 with JPMorgan Chase Bank, N.A. The purpose of this issuance was to finance the cost of capital improvements within the County. The County's Communication Services Tax revenues are pledged to secure the note. The note will be repaid over fifteen years with and interest rate of 2.28%. The balance owed on the note at year end was \$7,365,193. The following is a schedule of future principal and interest to be paid on the note:

Year Ending September 30	Principal	Interest
2020	\$ 471,660	\$ 165,253
2021	482,475	154,508
2022	493,538	143,375
2023	504,855	132,058
2024	516,431	120,482
2025	528,273	108,640
2026	540,387	96,527
2027	552,778	84,136
2028	565,453	71,461
2029	578,419	58,495
2030	591,682	45,232
2031	605,249	31,664
2032	619,127	17,786
2033	314,866	3,589
Total	<u>\$ 7,365,193</u>	<u>\$1,233,206</u>

Capital Leases

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

- A. Purchase of four motor graders costing \$838,156. The terms of the agreement call for five annual payments of \$87,340, beginning May 14, 2014 with a concluding payment of \$500,000, on May 14, 2019. The payments include interest of 3.18%. These notes were not paid off in the current year, but are expected to be paid off in the 2020 fiscal year pending the disposition of the graders. The balance on the notes was \$484,588 at September 30, 2019

- B. Purchase of four motor graders costing \$913,240. The terms of the agreement call for five annual payments of \$105,020, beginning August 6, 2018, with a concluding payment of \$494,000 on August 6, 2023. These payments include interest of 3.28%.
- C. Purchase of three motor graders costing \$616,136. The terms of the agreement call for five annual payments of \$77,707, beginning August 9, 2018, with a concluding payment of \$376,725 on August 9, 2023. These payments include interest of 2.90%.

The following is a schedule of the future total minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 2019:

Year Ending September 30	Principal	Interest	Total
2020	\$ 627,278	\$ 40,037	\$ 667,315
2021	147,133	40,037	187,170
2022	151,715	31,012	182,727
2023	844,439	26,287	870,726
	<u>\$ 1,770,565</u>	<u>\$ 137,373</u>	<u>\$ 1,907,938</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 call for a total loan amount of \$755,809 and was \$536,867 when fully disbursed. The loan is payable in one initial payment of \$24,345 and thirty-nine subsequent semi-annual payments of \$17,906 including interest at 1.045%, beginning July 15, 2011. At September 30, 2019, the loan balance was \$364,829.

Also, in conjunction with the project, the County entered into an additional loan with the FDEP (loan number DW 120101 in the amount of \$906,797. 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, 2019, the balance of the loan was \$380,198.

In the 2011 fiscal year, the County received an additional loan from FDEP (loan number DW 120400) in the amount of \$1,360,903, of which \$1,156,768 in principal was 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, 2019, the balance of the loan was \$132,912.

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. Payments are made from associated fund revenue.

Year Ending September 30,	DEP DW120400	DEP WW74202	DEP DW12101	Interest	Total
2020	\$ 9,995	\$ 32,084	\$ 76,569	\$ 16,835	\$ 135,482
2021	10,267	32,420	78,611	14,183	135,482
2022	10,548	32,760	80,708	11,467	135,482
2023	10,835	33,103	82,861	8,683	135,482
2024	11,131	33,450	61,449	5,830	111,860
Thereafter	80,136	201,012	-	14,493	295,641
Total	\$ 132,912	\$ 364,829	\$ 380,198	\$ 71,491	\$ 949,429

D. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Prior Year Balance	Additions	Deletions	Current Year Ending Balance	Due Within One Year	Accrued Interest Payable
<i>Governmental activities:</i>						
<i>Revenue bonds:</i>						
Hancock Bank Gas Tax Revenue Series 2016	\$ 4,726,000	\$ -	\$ (580,000)	\$ 4,146,000	\$ 588,000	\$ -
First Federal Bank Capital Improvement Series 2016	2,644,822	-	(296,776)	2,348,046	301,972	-
Chase Bank Revenue Bonds	7,673,456	-	(308,263)	7,365,193	471,660	55,975
	15,044,278	-	(1,185,039)	13,859,239	1,361,632	55,975
<i>Capital Leases Payable:</i>						
Ring Investments M9C00418	121,147	-	-	121,147	121,147	-
Ring Investments M9C00417	121,147	-	-	121,147	121,147	-
Ring Investments M9C00419	121,147	-	-	121,147	121,147	-
Ring Investments M9C00428	121,147	-	-	121,147	121,147	-
Beard Equipment Co. 620GXT84071	205,379	-	(19,951)	185,428	20,529	796
Beard Equipment Co. 620GXT84108	205,379	-	(19,951)	185,428	20,529	796
Beard Equipment Co. 620GXT81416	205,379	-	(19,951)	185,428	20,529	796
John Deere Financial 620G 689381	202,055	-	(19,632)	182,423	20,276	996
John Deere Financial 620G 689588	202,055	-	(19,632)	182,423	20,276	996
John Deere Financial 620G 689278	202,055	-	(19,632)	182,423	20,276	996
John Deere Financial 620G 689383	202,055	-	(19,632)	182,423	20,276	996
	1,908,946	-	(138,381)	1,770,565	627,279	6,372
<i>Other Liabilities:</i>						
Compensated Absences	2,283,463	-	(515)	2,282,948	342,442	-
Net pension liability	37,526,826	4,543,249	-	42,070,075	2,581,676	-
OPEB Liability	259,760	30,592	-	290,352	30,000	-
	\$ 57,023,273	\$ 4,573,841	\$ (1,323,420)	\$ 60,273,359	\$ 2,924,118	\$ 62,347
<i>BUSINESS ACTIVITIES</i>						
<i>Loan agreements payable:</i>						
Department of Environmental Regulation	\$ 967,640	\$ -	\$ (89,701)	\$ 877,939	\$ 118,648	\$ 4,173
<i>Other Liabilities</i>						
Compensated Absences	45,814	-	(2,443)	43,371	6,506	-
Estimated liability for landfill closure	6,940,724	1,192,183	-	8,132,907	1,039,487	-
Net pension liability	404,375	-	(10,500)	393,875	24,171	-
	7,390,913	1,192,183	(12,943)	8,570,153	1,063,658	-
	\$ 8,358,553	\$ 1,192,183	\$ (102,644)	\$ 9,448,092	\$ 1,182,306	\$ 4,173

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.

\$8,132,907 is reported as landfill closure and postclosure care liability at September 30, 2019, represents the cumulative amount reported to date for landfills with remaining lives of 4 to 9 years. The post closure liability is based upon estimated useage and capacity of the landfill. These amounts are based on what it would cost to perform all closure and annual postclosure care in 2019. 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, 2019, restricted cash and investments of \$7,878,799 are 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 noncancelable terms. Scheduled minimum rental payments for succeeding fiscal years ending September 30, are as follows:

<u>Year Ending September 30</u>	
2020	\$ 104,287
2021	23,209
2022	11,651
2023	5,251
2024	2,385
	<u>\$ 146,783</u>

Lease expense for the fiscal year ended September 30, 2019 was \$222,503.

NOTE 13. RETIREMENT PLANS

Florida Retirement System:

General Information - All of the County’s employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (“Investment Plan”) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (“SBA”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers’ class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a

period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively, were as follows: Regular—8.26% and 8.47%; Special Risk Administrative Support—34.98% and 38.59%; Special Risk—24.50% and 25.48%; Senior Management Service—24.06% and 25.41%; Elected Officers’—48.70% and 48.82%; and DROP participants—14.03% and 14.60%. These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively.

The County’s contributions to the Pension Plan totaled \$3,459,629 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the County reported a liability of \$34,851,421 for its proportionate share of the Pension Plan’s net pension liability. The net pension liability was measured as of July 1, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The County’s proportionate share of the net pension liability was based on the County’s 2018-19 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2019, the County’s proportionate share was .01011987 percent, which was a decrease of .0008175 percent from its proportionate share measured as of June 30, 2019.

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$8,775,052. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,067,137	\$ (21,629)
Changes in assumptions	8,951,344	-
Net difference between projected and actual earnings on Pension Plan investments	-	(1,928,162)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	1,256,241	(968,467)
County Pension Plan contributions subsequent to the measurement date	848,043	-
Total	\$ 13,122,765	\$ (2,918,258)

The deferred outflows of resources related to the Pension Plan, totaling \$848,043 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending	
September 30	
2020	\$ 3,393,210
2021	1,023,627
2022	2,473,180
2023	1,865,676
2024	481,150
Thereafter	119,621
	<u>\$ 9,356,464</u>

Actuarial Assumptions – The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.2%
Fixed income	18.0%	4.1%	4.1%	3.5%
Global equity	54.0%	8.0%	6.8%	16.5%
Real estate	11.0%	6.7%	6.1%	11.7%
Private equity	10.0%	11.2%	8.4%	25.8%
Strategic investments	6.0%	5.9%	5.7%	6.7%
Total	100.0%			
Assumed Inflation - mean			2.6%	1.7%

(1) As outlined in the Pension Plan's investment policy

Discount Rate - The discount rate used to measure the total pension liability was 6.90%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
County's proportionate share of the net pension liability	\$60,246,501	\$ 34,851,421	\$ 13,642,233

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2019, the County reported a payable in the amount of \$193,367 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2019.

HIS Plan

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended September 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2019, the HIS contribution for the period October 1, 2017 through June 30, 2019 and from July 1, 2019 through September 30, 2019 was 1.66% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$416,533 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the County reported a liability of \$7,612,259 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportionate share of the net pension liability was based on the County's 2018-19 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2019, the County's proportionate share was .068036 percent, which

was a decrease of .000025852 percent from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$620,961. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 92,463	\$ (9,321)
Changes in assumptions	881,459	(622,186)
Net difference between projected and actual earnings on HIS Plan investments	4,912	-
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	339,049	(227,685)
County HIS Plan contributions subsequent to the measurement date	100,117	-
Total	<u>\$ 1,418,000</u>	<u>\$ (859,192)</u>

The deferred outflows of resources related to the HIS Plan, totaling \$100,117 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending	
September 30	
2019	\$ 195,476
2020	156,446
2021	85,638
2022	(62,187)
2023	11,296
Thereafter	72,022
	<u>\$ 458,691</u>

Actuarial Assumptions – The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.50%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial valuation was prepared as of July 1, 2018 and updated procedures were performed to determine the liability as of June 30, 2019.

Discount Rate - The discount rate used to measure the total pension liability was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.50%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.50%) or one percentage point higher (4.50%) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
County's proportionate share of the net pension liability	\$ 8,690,092	\$ 7,612,529	\$ 6,715,041

Pension Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2019, the County reported a payable in the amount of \$23,281 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2019.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2018-19 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 3.30%, Special Risk Administrative Support class 4.95%, Special Risk class 11.00%, Senior Management Service class 4.67% and County Elected Officers class 8.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County's had no pension expense for the Investment Plan for the fiscal year ended September 30, 2019.

NOTE 14. FUND BALANCES GOVERNMENTAL FUNDS

As of September 30, 2019, 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
General Fund:					
Judges fund reserve	\$ -	\$ 20,691	\$ -	\$ -	\$ -
SRWMD mitigation reserve	940,532	-	-	-	-
Southside Recreation Center	-	421,716	-	-	-
Utilities fund advance	-	-	-	973,512	-
Vessel registration fees	-	-	56,051	-	-
Sheriff Capital Improvements	-	3,685,904	-	-	-
Undesignated	-	-	-	-	13,102,937
	<u>\$ 940,532</u>	<u>\$ 4,128,311</u>	<u>\$ 56,051</u>	<u>\$ 973,512</u>	<u>\$ 13,102,937</u>
Other governmental funds:					
Board of County Commissioners					
Capital Projects - County Facilities	\$ -	\$ 153,753	\$ -	\$ -	\$ -
County Transportation Trust	-	-	4,582,250	459,730	-
Court Reporters	-	-	72,604	-	-
Court Services	-	-	684,977	-	-
Economic Development	-	749,363	-	46,518	-
Impact Fees	-	-	310,744	-	-
Law Enforcement Special	-	-	23,816	-	-
Library Enhancement Grant	-	-	1,031,715	-	-
Municipal Services Benefit Unit	-	-	4,214,817	-	-
Jail Construction	-	9,861,161	-	-	-
Paving Assessments	-	-	194,979	-	-
Road Improvement	-	5,483,979	-	-	-
Jail Debt Service	-	-	762,793	-	-
Road Improvement Debt Service	-	-	174,466	-	-
Sheriff Capital Improvements	-	-	-	-	-
SHIP	-	-	13,516	-	-
Tourist Development Tax	-	-	3,505,541	445	-
Clerk of Courts					
Public Records Modernization Trust	-	-	272,884	-	-
Reserved 10%	-	-	-	-	-
Teen Court	-	-	(444)	-	-
Sheriff					
Work Program	-	-	12,380	-	-
Forfeiture Fund	-	-	39,780	-	-
Forfeiture Nongrant	-	-	158,936	-	-
Inmate Welfare	-	-	529,690	17,396	-
Minimum Standards School	-	-	10,134	-	-
Total other governmental funds	-	16,248,256	16,595,578	524,089	-
Total	<u>\$ 940,532</u>	<u>\$ 20,376,567</u>	<u>\$ 16,651,629</u>	<u>\$ 1,497,601</u>	<u>\$ 13,102,937</u>

Fund Balance Policy

The County has adopted a fund balance policy to maintain targeted levels of fund balance for all governmental funds. For the General Fund, the County's policy is to maintain a minimum level of unrestricted fund balance (the sum of the assigned and unassigned components of fund balance). The target level is no less than 25% and no more than 30% of General Fund annual expenditures.

For special revenue funds, there are typically no requirements for a specific reservation of fund balance but the County uses several special revenue funds as special operating funds for specific programs such as the Transportation Trust Fund and Municipal Services Fund. For these special revenue operating funds, the County has established a minimum level of fund balance. Such funds should maintain no less than 20% and no more that 30% of the fund specific annual expenditures.

In addition to minimum fund balance levels for the General Fund and major special revenue operating funds, the County also established a minimum level of fund balance for all other funds (including enterprise funds) similar to the above requirements.

Replenishment of Fund Balance Deficits

Each year during the budget process, fund balance levels are reviewed and compared to the targeted levels established in the fund balance policy. In the event fund balance levels fall below the targeted levels or, have not been met, a designated amount shall be set aside each year to fund balance so that the targeted amounts will be restored.

Utilization of Fund Balance

The County may approve, in its annual budgeting process, the use of fund balance either for specifically identified needs or as a designated reserve. The Board must always approve the use of designated reserves. In the event that targeted fund balance levels are met, the Board may approve the use of any excess for any lawful purpose. The Board may also establish additional reserves or designations of fund balance as may be needed such as a Disaster Contingency Reserve.

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. At September 30, 2019 the Department of Homeland Security, Office of the Inspector General, questioned costs of \$1,771,894 related to the FEMA Tropical Storm Debby grant of June 2012. The County is contesting this finding and the final determination by FEMA regarding any refunding of these costs is not known.

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 either the amount of such additional assessments, which might have to be paid by the County or the losses which might have to be borne by the County.

The Sheriff is a member of Florida Sheriffs' Self-Insurance Fund, which administers insurance activities relating to property and general liability; Florida Sheriffs' Workers' Compensation Self-Insurance Fund, which administers workers' compensation insurance; and Sheriffs' Automobile Risk Program which administers automobile liability and physical damage insurance. Those funds and program absorb losses up to a specified amount annually and purchase excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

The Sheriff is a member of the Florida Sheriffs Multiple Employers Trust Consortium, which is a self-funded healthcare pool. The funds contributed in the form of premiums and that of the program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to

meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

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. 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.

PLAN PROVISIONS

Columbia County, Florida administers its own post-employment benefit (OPEB) plan for medical benefits that are provided to Columbia County retirees. All full-time employees of Columbia County who satisfy the Disability, Early, or Normal Retirement provisions of their retirement plan may be eligible for certain post-employment benefits.

- General employees must meet the eligibility requirements for retirement under the Florida Retirement System Pension Plan – Regular Class.
- Fire employees must meet the eligibility requirements for retirement under the Florida Retirement System Pension Plan – Special Risk Class.

Participants are allowed access to the plan if the employee retires with and immediate benefit from the Florida Retirement System.

Surviving spouses and dependents are allowed access to the plan until they reach age 65.

All participants must pay 100% of their premium (implicit subsidy only).

The County has not set up a trust to prefund benefits. The County will pay benefits on a pay-as-you-go basis.

The following table summarizes the counts, ages and coverage as of October 1, 2018 for those currently enrolled in the plan.

(1)	Number of Participants	
	(a) Active Employees	251
	(b) Retirees (Pre-Medicare)	4
(2)	Active Statistics	
	(a) Average age	44.80
	(b) Average Service	8.10
(3)	Inactive Statistics	
	(a) Average age (Pre-Medicare)	62.1

SIGNIFICANT ASSUMPTIONS USED TO MEASURE THE TOTAL OPEB LIABILITY

ECONOMIC ASSUMPTIONS

The medical trend assumption was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions. The SOA Model was released in December 2007 and updated October 2018. The following assumptions were used as input variables into this model:

Rate of inflation	2.4%
Rate of Growth in Real Income / GDP per capita	1.5%
Excess Medical Cost Growth	1.2%
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2075

DEMOGRAPHIC ASSUMPTIONS

General employees participate in either the Tier 1 or Tier 2 Regular Class Employees under the Florida State Retirement System Pension Plan. Fire employees participate in the Special Risk Class Employees under the Florida State Retirement System Pension Plan. Demographic assumptions mirror those used in the FRS Pension Plan. Demographic data as of October 1, 2018 included current medical coverage for current employees and retirees. The published insurance rates for persons prior to Medicare eligibility are based primarily on the healthcare usage of active employees. Since retirees use healthcare at a rate much higher than employees, using these blended rates creates an implicit subsidy for the retiree group. The claims assumption used for this valuation is based on the actual per capita retiree cost. The difference between the actual usage of the healthcare by retirees and the assumptions built in to the published rates is identified as the implicit subsidy amount. The claims are based on age adjusted premiums.

DISCOUNT RATE ASSUMPTION

The discount rate used to determine the liabilities under GASB 75 depends upon the County's funding policy. The discount rate for governments that do not prefund benefits is based on 20-year general obligation bonds(GO bond) rates.

The discount rate assumption for fiscal year ended September 30, 2019 is 2.75%, the 20-year GO bond index as of October 1, 2019 . The rate at the beginning of the year was 3.83%, the 20-year GO bond index for October 1, 2018.

VALUATION METHODS AND ASSUMPTIONS

Cost Method:

The valuation uses the entry age normal funding method calculated on an individual basis with level percentage of pay.

Election Rate:

20% of eligible participants are assumed to continue coverage upon decrement.

Interest Rate Assumption:

The interest rate is based on the 20-year GO Bond index of 2.75% as of September 30, 2019.

Coverage Status and Age of Spouse:

Actual coverage status is used; females assumed 3 years younger than male spouse.

DECREMENT ASSUMPTIONS

Mortality Decrements

- | | | |
|-----|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) | Healthy | Regular, male: RP 2000 50% white collar, 50% blue collar;
fully generational with Scale BB
Regular, female: RP 2000 100% white collar
fully generational with Scale BB
Special Risk, male: RP 2000 10% white collar, 90% blue collar;
fully generational with Scale BB
Special Risk, female: RP 2000 100% combined healthy white collar
fully generational with Scale BB |
| (2) | Disabled | RP 2000 Disabled Table (sex distinct); female rates are set forward
two years, male rates are set back four years; no projection scale is used |

TREND ASSUMPTIONS

<u>Medical and Drug</u>	<u>Pre-Medicare</u>
2019	5.40%
2020	5.40%
2021	5.30%
2022	5.90%
2023	6.30%
2024	6.20%
2025	6.20%
2026	6.20%
2030	6.00%
2040	5.80%
2050	5.30%
2060	5.00%
2070	4.50%
2080	4.10%
2086 +	4.00%

CLAIMS ASSUMPTION

The plan is fully insured. To determine the assumed cost and the retiree contributions, 2018 premium rates were weighted by the current enrollment at September 30, 2018.

Gross claims are equal to the age adjusted assumed cost. The cost for participants with dependent coverage is assumed to be 181% of the cost of individual coverage. The following chart shows the total costs including both, medical and prescription drug as well as the assumed costs:

FISCAL YEAR 2019 COSTS

1 Total Costs	
a. Under 50	\$7,735
b. Age 50-54	9,425
c. Age 50-59	11,050
d. Age 60-64	13,325
e. Age 65-Older	N/A
2 Assumed Costs	
Pre-Medicare	9,001
Medicare Age	N/A

CHANGE IN THE NET OPEB LIABILITY

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance as of September 30, 2018	\$ 259,760	\$ -	\$ 259,760
Change for the Year			
Service Cost	19,683	-	19,683
Interest	9,543	-	9,543
Changes of Benefit Terms	-	-	-
Experience Losses/Gains	-	-	-
Trust Contribution - Employer	-	21,208	(21,208)
Net Investment Income	-	-	-
Changes in Assumptions	22,574	-	22,574
Benefit Payments (Net of Retiree Contributions)	(21,208)	(21,208)	-
Administrative Expense	-	-	-
Net Changes	30,592	-	30,592
Balance as of September 30, 2019	\$ 290,352	\$ -	\$ 290,352

Funded status 0.00%

OPEB EXPENSE

1.	Service Cost	\$ 19,683
2.	Interest	9,543
3.	Projected Earnings on OPEB Trust	-
4.	OPEB Administrative Expense	-
5.	Changes in Benefit Terms	-
6.	Differences Between Expected and Actual Earnings	
	In Current Fiscal Year Recognized in Current Year	-
	From Past Years Recognized in Current Year	-
	Total	-
7.	Differences Between Expected and Actual Experience	
	In Current Fiscal Year Recognized in Current Year	-
	From Past Years Recognized in Current Year	-
	Total	-
8.	Changes in Assumptions	
	In Current Fiscal Year Recognized in Current Year	3,225
	From Past Years Recognized in Current Year	(917)
	Total	2,308
<hr/>		
9.	Total OPEB Expense	\$ 31,534

The following table presents Columbia County, Florida's Total and Net OPEB liability. It also shows the net liability if it is calculated using a discount rate that is 1% higher or 1% lower.

Discount Rate	1% Decrease	Discount Rate	1% Increase
	1.75%	2.75%	3.75%
Total OPEB Liability	\$ 311,846	\$ 290,352	\$ 269,415
Net OPEB Liability (Asset)	\$ 311,846	\$ 290,352	\$ 269,415

The following table presents Columbia County, Florida's Total and Net OPEB liability. Also presented is the Total and Net OPEB liability if it is calculated using a health care cost trend rate that is 1% lower or 1% higher.

DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO OPEB

For the fiscal year ended September 30, 2019, the County recognized an OPEB expense of \$31,534. At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	19,349	4,586
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contributions subsequent to measurement date	N/A	-
Total	\$ 19,349	\$ 4,586

There were no deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in expense as follows:

Fiscal Year Ended September 30:	
2020	\$ 2,308
2021	2,308
2022	2,308
2023	2,308
2024	2,307
Thereafter	3,224
	\$ 14,763

NOTE 19 SUBSEQUENT EVENT

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) was characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the County. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel and meeting, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 24,844,717	\$ 24,844,717	\$ 25,108,293	\$ 263,576
Licenses, permits , special assessments	20,000	20,000	19,673	(327)
Intergovernmental	5,410,671	5,558,851	6,511,317	952,466
Charges for services	2,679,118	2,769,118	2,747,192	(21,926)
Fines and forfeitures	58,000	58,000	65,764	7,764
Interest	150,000	156,500	485,671	329,171
Miscellaneous	84,000	189,880	218,692	28,812
Total revenues	<u>33,246,506</u>	<u>33,597,066</u>	<u>35,156,602</u>	<u>1,559,536</u>
EXPENDITURES				
Current operating:				
General government	4,711,411	5,135,188	4,986,933	148,255
Public safety	3,135,644	3,268,353	2,986,297	282,056
Physical environment	1,446,359	1,447,359	1,298,501	148,858
Economic environment	214,159	198,159	189,572	8,587
Human services	2,983,537	2,774,283	2,623,630	150,653
Culture/recreation	644,792	1,649,179	680,288	968,891
Court related	-	45,300	28,416	16,884
Capital outlay:				
General government	130,000	264,900	48,663	216,237
Public safety	-	115,556	29,680	85,876
Physical environment	20,000	195,133	157,860	37,273
Human services	-	38,690	38,690	-
Culture/recreation	-	471,748	-	471,748
Total expenditures	<u>13,285,902</u>	<u>15,603,848</u>	<u>13,068,530</u>	<u>2,535,318</u>
Excess of revenues over expenditures	<u>19,960,604</u>	<u>17,993,218</u>	<u>22,088,072</u>	<u>4,094,854</u>
Other Financing Sources (Uses)				
Sale of fixed assets	-	-	682	682
Transfers in	300,000	337,638	4,564,851	4,227,213
Transfers out	(18,498,718)	(20,674,556)	(20,662,660)	11,896
Total other financing sources (uses)	<u>(18,198,718)</u>	<u>(20,336,918)</u>	<u>(16,097,127)</u>	<u>4,239,791</u>
Net change in fund balance	<u>1,761,886</u>	<u>(2,343,700)</u>	<u>5,990,945</u>	<u>8,334,645</u>
Fund balance, beginning of year	<u>13,210,398</u>	<u>13,210,398</u>	<u>13,210,398</u>	<u>-</u>
Fund balance, end of year	<u>\$ 14,972,284</u>	<u>\$ 10,866,698</u>	<u>\$ 19,201,343</u>	<u>\$ 8,334,645</u>

See notes to required supplementary information.

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, 2019**

	Budgeted Amounts		Actual Amounts	Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 4,590,000	\$ 4,590,000	\$ 4,773,766	\$ 183,766
Intergovernmental	4,292,300	4,292,300	4,450,395	158,095
Charges for services	5,000	5,000	7,425	2,425
Interest	20,000	20,000	97,181	77,181
Miscellaneous	160,000	160,000	244,081	84,081
Total revenues	<u>9,067,300</u>	<u>9,067,300</u>	<u>9,572,848</u>	<u>505,548</u>
EXPENDITURES				
Current operating:				
Transportation	7,794,957	7,888,287	6,724,509	1,163,778
Capital outlay:				
Transportation	527,000	912,935	670,795	242,140
Debt service:				
Principal	283,000	298,000	138,381	159,619
Interest	-	-	44,346	(44,346)
Total expenditures	<u>8,604,957</u>	<u>9,099,222</u>	<u>7,578,031</u>	<u>1,521,191</u>
Excess of revenues over expenditures	<u>462,343</u>	<u>(31,922)</u>	<u>1,994,817</u>	<u>2,026,739</u>
Other Financing Sources				
Transfers in	3,000	32,750	32,750	-
Sale of surplus equipment	-	-	24,600	24,600
Transfers out	(1,200,000)	(2,531,669)	(2,531,669)	-
Total other financing sources	<u>(1,197,000)</u>	<u>(2,498,919)</u>	<u>(2,474,319)</u>	<u>24,600</u>
Net change in fund balance	<u>(734,657)</u>	<u>(2,530,841)</u>	<u>(479,502)</u>	<u>2,051,339</u>
Fund balance, beginning of year	5,521,482	5,521,482	5,521,482	-
Fund balance, end of year	<u>\$ 4,786,825</u>	<u>\$ 2,990,641</u>	<u>\$ 5,041,980</u>	<u>\$ 2,051,339</u>

See notes to required supplementary information.

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, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,090,000	\$ 1,090,000	\$ 1,076,498	\$ (13,502)
Licenses, permits and assessments	10,155,700	10,158,516	10,029,458	(129,058)
Intergovernmental	246,250	256,731	262,023	5,292
Charges for services	96,700	96,700	81,729	(14,971)
Interest	22,000	23,800	131,683	107,883
Miscellaneous	9,500	9,500	25,970	16,470
Total revenues	11,620,150	11,635,247	11,607,361	(27,886)
EXPENDITURES				
Current operating:				
General government	336,185	76,185	61,135	15,050
Public safety	6,355,013	6,552,087	6,536,151	15,936
Physical environment	3,478,091	3,736,651	3,726,778	9,873
Economic environment	12,200	19,236	18,169	1,067
Capital outlay:				
Public safety	505,000	955,984	699,784	256,200
Debt service:				
Principal	296,776	296,776	296,776	-
Interest	44,315	44,315	44,394	(79)
Total expenditures	11,027,580	11,681,234	11,383,187	298,047
Excess of revenues over expenditure	592,570	(45,987)	224,174	270,161
Other Financing Sources (Uses)				
Transfers in	3,000	31,669	31,669	-
Transfers out	-	(11,763)	(11,763)	-
Total other financing sources (uses)	3,000	19,906	19,906	-
Net change in fund balance	595,570	(26,081)	244,080	270,161
Fund balance, beginning of year	3,970,737	3,970,737	3,970,737	-
Fund balance, end of year	\$ 4,566,307	\$ 3,944,656	\$ 4,214,817	\$ 270,161

See notes to required supplementary information.

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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 149,366	\$ 149,366
Charges for services	1,460,034	1,460,034	1,603,066	143,032
Fines and forfeitures	-	-	161,497	161,497
Total revenues	1,460,034	1,460,034	1,913,929	453,895
EXPENDITURES				
Current operating:				
General government	593,070	593,070	697,944	(104,874)
Court-related	1,460,034	1,460,034	1,640,345	(180,311)
Total expenditures	2,053,104	2,053,104	2,338,289	(285,185)
Excess of revenues over (under) expenditures	(593,070)	(593,070)	(424,360)	168,710
Other financing sources				
Interfund transfers in	593,070	593,070	593,070	-
Interfund transfers out	-	-	(168,710)	(168,710)
Total other financing sources	593,070	593,070	424,360	(168,710)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

See notes to required supplementary information.

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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 52,226	\$ 52,226
Charges for services	-	-	180,566	180,566
Interest	-	-	1,550	1,550
Miscellaneous	-	-	167,467	167,467
Total revenues	<u>-</u>	<u>-</u>	<u>401,809</u>	<u>401,809</u>
EXPENDITURES				
Current operating:				
Public safety	15,313,717	15,313,717	15,560,840	(247,123)
Capital outlay:				
Public safety	475,050	475,050	474,121	929
Total expenditures	<u>15,788,767</u>	<u>15,788,767</u>	<u>16,034,961</u>	<u>(246,194)</u>
Excess of revenues over expenditures	<u>(15,788,767)</u>	<u>(15,788,767)</u>	<u>(15,633,152)</u>	<u>155,615</u>
Other Financing Sources				
Transfers in	15,788,767	15,788,767	15,633,152	(155,615)
Total other financing sources	<u>15,788,767</u>	<u>15,788,767</u>	<u>15,633,152</u>	<u>(155,615)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA

**SHERIFF SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing (Uses)				
Transfers in	\$ 15,731,267	\$ 15,821,267	\$ 15,966,882	\$ 145,615
Transfers out	(15,631,267)	(15,786,267)	(19,472,170)	(3,685,903)
Total other financing (uses)	<u>100,000</u>	<u>35,000</u>	<u>(3,505,288)</u>	<u>(3,540,288)</u>
Net change in fund balance	<u>100,000</u>	<u>35,000</u>	<u>(3,505,288)</u>	<u>(3,540,288)</u>
Fund balance, beginning of year	<u>3,505,288</u>	<u>3,505,288</u>	<u>3,505,288</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,605,288</u>	<u>\$ 3,540,288</u>	<u>\$ -</u>	<u>\$ (3,540,288)</u>

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA

**JAIL CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ -	\$ -	\$ 156,485	\$ 156,485
Total revenues	<u>-</u>	<u>-</u>	<u>156,485</u>	<u>156,485</u>
EXPENDITURES				
Current expenditures:				
Public safety	2,400,000	1,906,161	58,174	1,847,987
Capital outlay:				
Public safety	9,000,000	9,000,000	1,178,311	7,821,689
Total expenditures	<u>11,400,000</u>	<u>10,906,161</u>	<u>1,236,485</u>	<u>9,669,676</u>
Excess of revenues over expenditures	<u>(11,400,000)</u>	<u>(10,906,161)</u>	<u>(1,080,000)</u>	<u>9,826,161</u>
Other financing sources (uses)				
Interfund transfers in	975,000	975,000	975,000	-
Total other financing sources (uses)	<u>975,000</u>	<u>975,000</u>	<u>975,000</u>	<u>-</u>
Net change in fund balance	<u>(10,425,000)</u>	<u>(9,931,161)</u>	<u>(105,000)</u>	<u>9,826,161</u>
Fund balance, beginning of year	<u>9,966,161</u>	<u>9,966,161</u>	<u>9,966,161</u>	<u>-</u>
Fund balance, end of year	<u>\$ (458,839)</u>	<u>\$ 35,000</u>	<u>\$ 9,861,161</u>	<u>\$ 9,826,161</u>

See notes to required supplementary information.

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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 325,000	\$ 671,296	\$ 671,296	\$ -
Intergovernmental	7,288,961	8,752,607	3,215,551	(5,537,056)
Interest	-	-	108,922	108,922
Miscellaneous	-	143,749	143,748	(1)
Total revenues	<u>7,613,961</u>	<u>9,567,652</u>	<u>4,139,517</u>	<u>(5,428,135)</u>
EXPENDITURES				
Current operating:				
Transportation	2,400,000	3,709,673	2,878,454	831,219
Capital outlay:				
Transportation	10,453,125	11,082,905	2,353,557	8,729,348
Total expenditures	<u>12,853,125</u>	<u>14,792,578</u>	<u>5,232,011</u>	<u>9,560,567</u>
Excess of revenues over expenditures	<u>(5,239,164)</u>	<u>(5,224,926)</u>	<u>(1,092,494)</u>	<u>4,132,432</u>
Other Financing Sources				
Transfers in	1,200,000	3,310,500	3,310,500	-
Transfers out	-	(197,000)	(197,000)	-
Total other financing sources	<u>1,200,000</u>	<u>3,113,500</u>	<u>3,113,500</u>	<u>-</u>
Net change in fund balance	<u>(4,039,164)</u>	<u>(2,111,426)</u>	<u>2,021,006</u>	<u>4,132,432</u>
Fund balance, beginning of year	<u>3,462,973</u>	<u>3,462,973</u>	<u>3,462,973</u>	<u>-</u>
Fund balance, end of year	<u>\$ (576,191)</u>	<u>\$ 1,351,547</u>	<u>\$ 5,483,979</u>	<u>\$ 4,132,432</u>

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
LAST SIX FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportionate share of the net pension liability						
Retirement	.1012%	0.1020%	0.1011%	0.1031%	0.0980%	0.0918%
Health insurance subsidy	.0680%	0.0681%	0.0675%	0.0675%	0.0672%	0.0675%
County's proportionate share of the net pension liability						
Retirement	\$ 34,851,421	\$ 30,727,794	\$ 29,895,132	\$ 26,020,964	\$ 12,652,261	\$ 6,073,497
Health insurance subsidy	7,612,524	7,203,408	7,214,936	7,861,195	6,853,010	5,603,796
Total	<u>\$ 42,463,945</u>	<u>\$ 37,931,202</u>	<u>\$ 37,110,068</u>	<u>\$ 33,882,159</u>	<u>\$ 19,505,271</u>	<u>\$11,677,293</u>
County's covered payroll	\$ 23,136,187	\$ 22,508,514	\$ 22,085,094	\$ 21,502,670	\$ 21,254,324	\$20,866,802
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	183.54%	168.52%	168.03%	157.57%	91.77%	55.96%
Plan fiduciary net position as a percentage of the total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

GASB 68 requires information for 10 years. Until a full 10 year trend has been compiled, only those years for which information is available has been presented.

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
LAST SIX FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions						
Pension plan	\$ 3,459,629	\$ 3,233,603	\$ 2,933,891	\$ 3,081,793	\$ 2,603,392	\$ 2,366,976
Health insurance subsidy	416,533	369,084	357,107	345,742	340,622	301,780
	<u>\$ 3,876,162</u>	<u>\$ 3,602,687</u>	<u>\$ 3,290,998</u>	<u>\$ 3,427,535</u>	<u>\$ 2,944,014</u>	<u>\$ 2,668,756</u>
Contributions in relation to the contractually required contributions	\$ 3,876,162	\$ 3,602,687	\$ 3,290,998	\$ 3,427,535	\$ 2,944,014	\$ 2,608,294
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 23,136,187	\$ 22,508,514	\$ 22,085,094	\$ 21,502,670	\$ 21,254,324	\$ 20,866,802
Contributions as a percentage of covered employee payroll						
Pension plan	14.95%	14.37%	13.28%	14.35%	12.25%	11.34%
Health insurance subsidy	1.80%	1.64%	1.62%	1.61%	1.60%	1.45%

GASB 68 requires information for 10 years. Until a full 10 year trend has been compiled, only those years for which information is available has been presented.

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA

**SCHEDULE OF CHANGES TO THE OPEB LIABILITY
September 30, 2019**

CHANGE IN THE NET OPEB LIABILITY

Total OPEB Liability:	2019	2018
Balance at Beginning of Fiscal Year	<u>\$ 259,760</u>	<u>\$ 258,636</u>
Change for the Year		
Service Cost	19,683	19,860
Interest	9,543	8,684
Changes of Benefit Terms	-	-
Experience Losses/Gains	-	-
Trust Contribution - Employer	-	-
Net Investment Income	-	-
Changes in Assumptions	22,574	(6,420)
Benefit Payments (Net of Retiree Contributions)	(21,208)	(21,000)
Administrative Expense	-	-
Net change in the OPEB Liability	<u>30,592</u>	<u>1,124</u>
Balance as of September 30	<u><u>\$ 290,352</u></u>	<u><u>\$ 259,760</u></u>
 Plan Fiduciary Net Position		
Balance at Beginning of Fiscal Year	\$ -	\$ -
Contributions - Employer	21,208	21,000
Benefit Payments	(21,208)	(21,000)
Net Change in the Plan	-	-
Balance as of September 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
 County's Net OPEB Liability Ending	<u><u>\$ 290,352</u></u>	<u><u>\$ 259,760</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0%	0%
 Covered Payroll	\$ -	\$ -
Net OPEB Liability as a Percentage of Employee Payroll	0%	0%

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
September 30, 2019

	<u>2019</u>	<u>2018</u>
Actuarially Determined Contributions	\$ 21,208	\$ 21,208
Contributions in Relation to the Actuarially Determined Contribution	\$ 21,208	\$ 20,108
Contributions Deficiency (Excess)	\$ -	\$ -

No earlier information is available is available for these schedules and the related ratios.
See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended September 30, 2019

NOTE 1. BUDGETARY INFORMATION

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental and enterprise funds. All annual appropriations lapse at fiscal year end.

The County generally follows these procedures in establishing the budgetary data for the governmental and enterprise funds as reflected in the financial statements:

1. Prior to September 30, the County Manager, serving as Budget Officer, submits to the Board of County Commissioners (BOCC) a tentative budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the BOCC to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the BOCC.
4. The Constitutional Officers submit, at various times prior to September 30, to the BOCC 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 Property Appraiser, which are classified as separate special revenue funds.
6. The BOCC 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 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 and enterprise 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, 2019 are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis.
9. Enterprise fund budgets are adopted on the accrual basis except that depreciation is not budgeted.
10. Legal control of the budget is exercised pursuant to applicable provisions of the *Florida Statutes*.
11. Appropriations for the County lapse at the close of the fiscal year.

The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2019.

	<u>Appropriations</u>	<u>Expenses and Transfers out</u>	<u>Variance Positive (Negative)</u>
Enterprise funds			
Landfill enterprise	\$ 4,116,864	\$ 3,826,807	\$ 290,057
Utilities	2,520,095	530,580	1,989,515
	<u>\$ 6,636,959</u>	<u>\$ 4,357,387</u>	<u>\$ 2,279,572</u>

NOTE 2. PENSION PLAN

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2019, are shown below (in thousands):

	<u>FRS</u>	<u>HIS</u>
Total Pension Liability	\$ 198,012,334	\$ 11,491,044
Plan Fiduciary Net Position	(163,573,726)	(302,045)
Net Pension Liability	<u>\$ 34,438,608</u>	<u>\$ 11,188,999</u>

Plan Fiduciary Net Position as a Percentage
of the Total Pension Liability

82.61%

2.63%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2019. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS actuarial valuation was prepared as of July 1, 2019. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2014 through 2019, for employers that were members of the FRS and HIS during those fiscal years. For fiscal year 2019, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The

aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013 through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.60%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.90%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return of 6.90%.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.50% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the Generational RP-2000 with Projection Scale BB tables (refer to the valuation reports for more information – See Additional Financial and Actuarial Information).

The following actuarial assumptions applied in 2019:

- **FRS:** The long-term expected rate of return decreased from 7.00% to 6.90%, and the mortality assumption was changed from the Generational RP-2000 with the Projection Scale BB tables to the PUB-2010 base table, projected generationally with the Scale MP-2018.
- **HIS:** The municipal bonds rate used to determine total pension liability was decreased from 3.87% to 3.50%.

NOTE 3. OPEB PLAN

There were no differences between projected and actual earnings or deferred inflows or outflows of resources related to projected and actual earnings for the OPEB Plan for the current year or in prior years. There were no differences between expected and actual experience or deferred inflows or outflows of resources related to expected and actual experience in the current or prior years.

Schedules of changes in assumptions and deferred inflows (outflows) from changes in assumptions follow:

Fiscal Year	Changes in Assumptions	Recognition Period (Years)	Recognition												
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Thereafter	
2014	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2015	\$ -	1	-	-	-	-	-	-	-	-	-	-	-	-	
2016	\$ -	1	-	-	-	-	-	-	-	-	-	-	-	-	
2017	\$ -	1	-	-	-	-	-	-	-	-	-	-	-	-	
2018	\$ (6,420)	7	-	-	-	-	(917)	(917)	(917)	(917)	(917)	(917)	(918)	-	
2019	\$ 22,574	7	-	-	-	-	-	3,225	3,225	3,225	3,225	3,225	3,225	3,224	
Net Increase (decrease) in OPEB expense			\$ -	\$ -	\$ -	\$ -	\$ (917)	\$ 2,308	\$ 2,308	\$ 2,308	\$ 2,308	\$ 2,308	\$ 2,307	\$ 3,224	

Deferred Outflows of Resources and Deferred Inflows of Resources Arising from Changes in Assumptions

Fiscal Year	Increase in the Total OPEB Liability	Decreases in the Total OPEB Liability	Amounts Recognized in OPEB Expense Through September 30, 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
2014	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	6,420	1,834	-	4,586
2019	22,574	-	3,225	19,349	-
				\$ 19,349	\$ 4,586

The medical trend assumption was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions. The SOA Model was released in December 2007 and updated October 2019. The following assumptions were used as input variables into this model:

Rate of inflation	2.4%
Rate of Growth in Real Income / GDP per capita	1.5%
Excess Medical Cost Growth	1.2%
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2075

The discount rate used to determine the liabilities under GASB 75 depends upon the County's funding policy. The discount rate for governments that do not prefund benefits is based on 20-year general obligation bonds(GO bond) rates.

The discount rate assumption for fiscal year ended September 30, 2019 is 2.75%, the 20-year GO bond index as of October 1, 2019. The rate at the beginning of the year was 3.83%, the 20-year GO bond index for October 1, 2017.

FUND COMBINING STATEMENTS

COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

September 30, 2019

Special Revenue Funds

	Clerk of Courts		Property	Sheriff				Supervisor	Tax	Board of	
	Public Records		Appraiser	Minimum				of Elections	Collector	County Commissioners	
	Trust	Teen Court	Operating	School	Forfeiture	Inmate	Forfeiture	Work	Operating	Court	
			Standards		Welfare	Nongrant	Program			Reporters	
ASSETS											
Current assets											
Cash	\$ 268,255	\$ -	\$ 77,851	\$ 10,134	\$ 39,780	\$ 529,906	\$ 158,936	\$ 12,380	\$ 64,362	\$ 284,580	\$ 75,832
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-
Note receivable	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	11,260	1,415	-	-	-	31,219	-	-	-	48,501	-
Due from other governmental units	-	-	-	-	-	-	-	-	60	-	-
Prepaid expense	-	-	-	-	-	17,396	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 279,515	\$ 1,415	\$ 77,851	\$ 10,134	\$ 39,780	\$ 578,521	\$ 158,936	\$ 12,380	\$ 64,422	\$ 333,081	\$ 75,832
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Current liabilities											
Accounts payable	\$ 6,631	\$ 361	\$ -	\$ -	\$ -	\$ 31,435	\$ -	\$ -	\$ 224	\$ 2,516	\$ 3,228
Accrued wages	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll liabilities	-	-	552	-	-	-	-	-	13,316	26,527	-
Due to other funds	-	1,498	71,355	-	-	-	-	-	13,579	287,666	-
Due to other governmental units	-	-	5,944	-	-	-	-	-	-	16,372	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	37,303	-	-
Total liabilities	6,631	1,859	77,851	-	-	31,435	-	-	64,422	333,081	3,228
FUND BALANCES											
Nonspendable	-	-	-	-	-	17,396	-	-	-	-	-
Restricted	272,884	(444)	-	10,134	39,780	529,690	158,936	12,380	-	-	72,604
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	272,884	(444)	-	10,134	39,780	547,086	158,936	12,380	-	-	72,604
Total liabilities and fund balances	\$ 279,515	\$ 1,415	\$ 77,851	\$ 10,134	\$ 39,780	\$ 578,521	\$ 158,936	\$ 12,380	\$ 64,422	\$ 333,081	\$ 75,832

(continued)

COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2019

	Special Revenue Funds						Debt Service Fund		Capital Projects		Total Nonmajor Governmental Funds	
	Board of County Commissioners						Jail Debt Service	Road Improvement	Paving Assess- ments	County Facilities		
	Court Service	Impact Fees	Law Enforcement Special	Library Enhancement Grant	Tourist Development SHIP	Tourist Economic Development Tax						
ASSETS												
Cash	\$ 170,559	\$ 46,702	\$ 22,253	\$ 966,406	\$ 57,054	\$ 1,831,755	\$ 386,099	\$ 762,793	\$ 137,547	\$ 196,162	\$ 308,462	\$ 6,407,808
Accounts and interest receivable	-	1,228	-	-	-	2,180	979	-	-	-	-	4,387
Note receivable	-	-	-	-	-	-	41,518	-	-	-	-	41,518
Due from other funds	13,227	-	-	-	-	-	-	-	-	95	1,750	107,467
Due from other governmental units	6,914	-	-	86,735	-	112,420	2,000	-	36,919	-	3,000	248,048
Prepaid expense	-	-	-	-	-	445	5,000	-	-	-	-	22,841
Investments	526,959	262,814	1,563	-	-	1,605,600	390,091	-	-	-	-	2,787,027
Total assets	\$ 717,659	\$ 310,744	\$ 23,816	\$ 1,053,141	\$ 57,054	\$ 3,552,400	\$ 825,687	\$ 762,793	\$ 174,466	\$ 196,257	\$ 313,212	\$ 9,619,096
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current liabilities												
Accounts payable	\$ 32,157	\$ -	\$ -	\$ 8,821	\$ -	\$ 40,738	27,770	\$ -	\$ -	\$ 1,278	\$ 156,259	\$ 311,418
Accrued wages payable	525	-	-	12,605	-	2,343	2,036	-	-	-	-	17,509
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-	-	40,395
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	374,098
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	22,316
Deposits	-	-	-	-	-	-	-	-	-	-	3,200	3,200
Revenues collected in advance	-	-	-	-	43,538	3,333	-	-	-	-	-	84,174
Total liabilities	32,682	-	-	21,426	43,538	46,414	29,806	-	-	1,278	159,459	853,110
FUND BALANCES												
Nonspendable	-	-	-	-	-	445	46,518	-	-	-	-	64,359
Restricted	684,977	310,744	23,816	1,031,715	13,516	3,505,541	-	762,793	174,466	194,979	-	7,798,511
Committed	-	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	749,363	-	-	-	153,753	903,116
Total fund balances	684,977	310,744	23,816	1,031,715	13,516	3,505,986	795,881	762,793	174,466	194,979	153,753	8,765,986
Total liabilities and fund balances	\$ 717,659	\$ 310,744	\$ 23,816	\$ 1,053,141	\$ 57,054	\$ 3,552,400	\$ 825,687	\$ 762,793	\$ 174,466	\$ 196,257	\$ 313,212	\$ 9,619,096

See notes to financial statements.

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

For the Fiscal Year Ending September 30, 2019

	Special Revenue Funds										
	Clerk of Courts		Property Appraiser	Sheriff				Supervisor of Elections	Tax Collector	Board of County Commissioners	
	Public Records Modernization Trust	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	Court Reporters
REVENUES											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	-	
Intergovernmental revenue	-	-	-	-	12,941	-	-	31,200	-	201,257	
Charges for services	121,143	18,330	122,716	-	-	250,134	-	438	-	2,018,919	
Fines and forfeitures	-	-	-	8,524	7,375	-	15,570	-	-	-	
Interest income	-	-	144	9	43	233	189	6	10	1,049	
Miscellaneous	-	-	3,448	-	2,850	14,876	-	-	9,072	804	
Total revenues	121,143	18,330	126,308	8,533	23,209	265,243	15,759	444	40,282	2,020,772	201,257
EXPENDITURES											
Current Expenditures											
General government	-	-	1,687,117	-	-	-	-	-	835,572	1,768,106	-
Public safety	-	-	-	8,768	35,171	115,885	5,225	180	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-
Court - related	92,501	10,044	-	-	-	-	-	-	-	-	149,117
Capital outlay											
General government	-	-	-	-	-	-	-	-	10,622	35,618	-
Public safety	-	-	-	-	1,250	-	58,010	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-
Court - related	42,042	-	-	-	-	-	-	-	-	-	-
Debt service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	134,543	10,044	1,687,117	8,768	36,421	115,885	63,235	180	846,194	1,803,724	149,117
Excess of revenues over (under) expenditures	(13,400)	8,286	(1,560,809)	(235)	(13,212)	149,358	(47,476)	264	(805,912)	217,048	52,140
OTHER FINANCING SOURCES (USES)											
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-
Debt proceeds	-	-	-	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	1,632,164	-	-	-	-	-	819,491	70,618	-
Interfund transfers out	-	-	(71,355)	-	-	-	-	-	(13,579)	(287,666)	-
Total other financing sources (uses)	-	-	1,560,809	-	-	-	-	-	805,912	(217,048)	-
Net change in fund balances	(13,400)	8,286	-	(235)	(13,212)	149,358	(47,476)	264	-	-	52,140
Fund balances beginning of year	286,284	(8,730)	-	10,369	52,992	397,728	206,412	12,116	-	-	20,464
Fund balances end of year	\$ 272,884	\$ (444)	\$ -	\$ 10,134	\$ 39,780	\$ 547,086	\$ 158,936	\$ 12,380	\$ -	\$ -	\$ 72,604

(Continued)

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

For the Fiscal Year Ending September 30, 2019

	Special Revenue Funds						Debt Service Funds		Capital Projects Funds		Total Nonmajor Governmental Funds	
	Board of County Commissioners						Jail Debt Service	Road Improvement	Paving Assess- ments	County Facilities		
	Court Service	Impact Fees	Law Enforcement Special	Library Enhancement Grant	SHIP	Tourist Development Tax						Economic Development
REVENUES												
Taxes	\$ 325,000	\$ -	\$ -	\$ 1,077,173	\$ -	\$ 1,569,685	\$ -	\$ -	\$ 685,000	\$ -	\$ -	\$ 3,656,858
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	18,639	-	18,639
Intergovernmental revenue	-	-	-	556,776	308,035	-	873,745	1,010,000	-	-	49,999	3,043,953
Charges for services	153,630	-	-	10,765	-	-	-	-	-	-	30,675	2,726,750
Fines and forfeitures	-	-	341	23,989	-	-	-	-	-	-	-	55,799
Interest income	19,735	7,511	431	17,285	-	90,070	16,197	3,618	2,059	2,929	3,282	164,800
Miscellaneous	15	-	-	15,530	6,000	18,832	-	-	-	-	14,005	85,432
Total revenues	498,380	7,511	772	1,701,518	314,035	1,678,587	889,942	1,013,618	687,059	21,568	97,961	9,752,231
EXPENDITURES												
Current Expenditures												
General government	13,963	-	-	-	-	-	-	-	-	-	580,426	4,885,184
Public safety	-	-	-	-	-	-	-	-	-	-	1,355,250	1,520,479
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	2,486	-	2,486
Economic environment	-	-	-	-	314,035	729,595	522,853	-	-	-	56,420	1,622,903
Human services	-	-	-	-	-	-	-	-	-	-	31,000	31,000
Culture/recreation	-	-	-	1,427,477	-	-	-	-	-	-	471,904	1,899,381
Court - related	406,122	-	-	-	-	-	-	-	-	-	-	657,784
Capital outlay												
General government	-	-	-	-	-	-	-	-	-	-	3,658	49,898
Public safety	-	-	-	-	-	-	-	-	-	-	2,403,624	2,462,884
Physical environment	-	-	-	-	-	-	-	-	-	-	125,183	125,183
Transportation	-	-	-	-	-	-	-	-	-	-	16,261	16,261
Economic environment	-	-	-	-	-	6,286	43,554	-	-	-	-	49,840
Culture/recreation	-	-	-	-	-	-	-	-	-	-	259,777	259,777
Court - related	-	-	-	-	-	-	-	-	-	-	-	42,042
Debt service												
Principal	-	-	-	-	-	-	-	308,263	580,000	-	-	888,263
Interest	-	-	-	-	-	-	-	115,702	67,639	-	-	183,341
Total expenditures	420,085	-	-	1,427,477	314,035	735,881	566,407	423,965	647,639	2,486	5,303,503	14,696,706
Excess of revenues over (under) expenditures	78,295	7,511	772	274,041	-	942,706	323,535	589,653	39,420	19,082	(5,205,542)	(4,944,475)
OTHER FINANCING SOURCES (USES)												
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	120,000	120,000
Debt proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	-	-	-	-	-	-	-	-	1,092,800	3,615,073
Interfund transfers out	-	-	(2,500)	-	-	(300,000)	(175,000)	-	-	(3,000)	(975,000)	(1,828,100)
Total other financing sources (uses)	-	-	(2,500)	-	-	(300,000)	(175,000)	-	-	(3,000)	237,800	1,906,973
Net change in fund balances	78,295	7,511	(1,728)	274,041	-	642,706	148,535	589,653	39,420	16,082	(4,967,742)	(3,037,502)
Fund balances beginning of year	606,682	303,233	25,544	757,674	13,516	2,863,280	647,346	173,140	135,046	178,897	5,121,495	11,803,488
Fund balances end of year	\$ 684,977	\$ 310,744	\$ 23,816	\$ 1,031,715	\$ 13,516	\$ 3,505,986	\$ 795,881	\$ 762,793	\$ 174,466	\$ 194,979	\$ 153,753	\$ 8,765,986

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
September 30, 2019**

	Clerk of Circuit Court					Sheriff				Tax Collector		Totals
	Clerk's Trust	Employee Sunshine	Domestic Relations	Jury Witness	Public Defender Occupancy Trust	Individual Depositors	Inmate Trust	Donation Trust	Evidence Trust	Tag Agency	Ad Valorem Tax Agency	
ASSETS												
Cash	\$ 1,057,401	\$ 901	\$ 1,023	\$ 5,577	\$ 20,267	\$ 6,461	\$ 372,413	\$ 9,485	\$ 109,532	\$ 175,929	\$ 2,059,492	\$ 3,818,481
Accounts receivable	3,320	-	-	-	-	-	-	-	-	5,608	-	8,928
Total assets	\$ 1,060,721	\$ 901	\$ 1,023	\$ 5,577	\$ 20,267	\$ 6,461	\$ 372,413	\$ 9,485	\$ 109,532	\$ 181,537	\$ 2,059,492	\$ 3,827,409
LIABILITIES												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,217	\$ 100	\$ 25,317
Cash bond liability	47,303	-	-	-	-	-	-	-	-	-	-	47,303
Court fees payable	108,435	-	-	-	-	-	-	-	-	-	-	108,435
Deposits held in escrow	75,287	-	-	-	-	-	57,630	-	-	10,569	-	143,486
Due to other funds	183,494	-	422	-	-	-	34,935	-	-	17,725	145,914	382,490
Due to other governmental units	327,920	-	601	5,577	-	-	-	-	-	127,820	1,657,506	2,119,424
Tax deeds payable	315,820	901	-	-	-	-	-	-	-	-	-	316,721
Other current liabilities	2,462	-	-	-	20,267	6,461	279,848	9,485	109,532	206	255,972	684,233
Total liabilities	1,060,721	901	1,023	5,577	20,267	6,461	372,413	9,485	109,532	181,537	2,059,492	3,827,409
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, 2019, 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 March 23, 2020.

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.

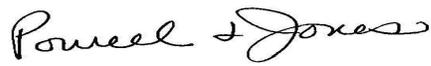
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

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
March 23, 2020

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, 2019. 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, 2019.

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 that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
March 23, 2020

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2019

STATE GRANTOR / PASS THROUGH GRANTOR / PROGRAM TITLE	CFS#	Grant #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	REVENUES RECOGNIZED	EXPENDITURES	ACCRUED / (UNEARNED) 9/30/19
STATE FINANCIAL ASSISTANCE							
Department of Emergency Management							
Emergency Management Preparedness and Assistance Grant	31.063	19-BG-21-03-22-01-027	\$ 105,806	\$ 21,778	\$ 105,806	\$ 88,269	\$ -
Emergency Management Preparedness and Assistance Grant	31.063	A0050	105,806	-	18,720	19,019	-
Total Department of Emergency Management			211,612	21,778	124,526	107,288	-
Department of Environmental Protection							
Small County Solid Waste Grant Agreement	37.012	SC804	90,909	-	90,909	90,909	-
Florida Recreation Department Assistance Program-Westside Comm Ctr	37.017	A7114	50,000	-	49,999	293	-
Grants and Aids to Local Governments-Local Parks-Rum Island	37.085	L1704	150,000	-	-	9,512	-
Total Department of Environmental Protection			290,909	-	140,908	100,714	-
Department of Economic Opportunity							
North Florida Mega Industrial Park (NFMIP)	40.042	G346	299,886	270,661	53,745	29,225	-
Rural Infrastructure Fund -Bell Rd Utilities	40.042	D0132	100,000	-	-	100,000	-
Florida Job Growth Infrastructure Grant - Rail Spur	40.043	G0029	3,135,600	-	-	43,554	-
Total Department of Economic Opportunity			3,535,486	270,661	53,745	172,779	-
Florida Housing Finance Corporation							
State Housing Initiatives Program							
SHIP Grant Program YR 18/19	40.901	FY18-19	308,035	-	308,035	308,035	-
SHIP Program Income	40.901	FY18-19	-	-	6,000	6,000	43,538
Total Florida Housing Finance Corporation			308,035	-	314,035	314,035	43,538
Department of Agriculture and Consumer Services							
Anthropod Mosquito Control State Aid	42.003	25508	34,480	-	34,481	28,433	-
Department of State							
State Aid to Libraries Grant	45.030	19-ST-09	542,776	-	542,776	542,776	-
Department of Transportation							
Small County Outreach Program - Callahan Ave	55.009	437006-1-54-01 G0030	905,827	609,752	380,218	114,041	-
Small County Outreach Program - Bell Road	55.009	430720-1-58-01 G0038	1,685,726	239,541	-	80,789	-
Small County Outreach Program - CR 241	55.009	435325-1-54-02 G0161	850,000	10,047	27,790	17,743	-
Small County Outreach Program - Old Wire Road	55.009	433031-1-5801 ARQ18	1,237,500	289,898	947,602	-	-
			4,679,053	1,149,238	1,355,610	212,573	-
Small County Road Assistance Program - King/Mauldin	55.016	434566-1-54-01 G0733	1,219,572	32,929	666,753	1,178,458	-
Small County Road Assistance Program - NW Moore Rd	55.016	434581-1-54-01 G0158	1,423,125	48,663	1,141,959	1,264,553	-
Small County Road Assistance Program - SW Mt Carmel	55.016	436439-1-54-01 G0775	1,190,000	31,383	21,586	11,167	-
Small County Road Assistance Program - CR 242W	55.016	438191-1-54-01 G1343	1,300,000	-	25,050	30,999	-
			5,132,697	112,975	1,855,348	2,485,178	-
Total Department of Transportation			9,811,750	1,262,213	3,210,957	2,697,750	-
Department of Health							
Emergency Medical Services (EMS) County Grant	64.005	C7012	17,836	-	2,299	2,299	(15,537)
E-911 Board Department of Management Services							
Winter 2019 State Grant	72.003	S12-19-02-02	19,969	-	9,618	9,618	-
Winter 2019 State Grant	72.003	S12-19-02-03	45,845	-	-	-	-
Spring 2019 Rural Grant	72.001	19-04-05	69,290	-	69,290	69,290	-
Total E-911 Board Department of Management Services			135,103	-	78,908	78,908	-
TOTAL STATE FINANCIAL ASSISTANCE			\$ 14,887,987	\$ 1,554,652	\$ 4,502,635	\$ 4,044,981	\$ 28,001

See notes to Schedule of Expenditures of State Financial Assistance.

COLUMBIA COUNTY, FLORIDA

Notes to Schedule of State Financial Assistance

For the Fiscal Year Ended September 30, 2019

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 *Chapter 10.550 Rules of the State of Florida, Office of the Auditor General*.

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 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 State Financial Assistance. Under the modified accrual basis, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

NOTE 2. Indirect Cost Rate

The County did not elect to use the 10% de minimis cost rate.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2019

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
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

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:	Unmodified
-------------------------------------------------------------------	------------

Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, <i>Rules of the Auditor General</i> ?	No
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Identification of Major Programs:

<u>CSFA Number</u>	<u>Name of State Programs</u>
37.012	Department of Environmental Protection Small County Solid Waste Program
40.042	Florida Housing Finance Corporation State Housing Initiative Program
55.016	Department of Transportation Small County Road Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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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, 2019, and have issued our report thereon dated March 23, 2020.

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 Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's 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*, and Schedule of Findings. Disclosures in those reports and schedule, which are dated March 23, 2020, 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

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

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

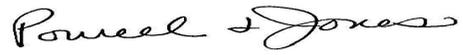
Financial Emergency Status - We determined that the County had not met any of conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General*, Sections 10.544(1)(i)5.a. and 10.556(7), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

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

CONCLUSION - We have reviewed information regarding our audit with appropriate County officials 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 handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
March 23, 2020

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of County Commissioners
Columbia County, Florida

We have examined the Columbia County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Section 61.181, *Florida Statutes*, regarding the Clerk's alimony and child support payments and Sections 28.35 and 28.36; *Florida Statutes* as to the following during the fiscal year ended September 30, 2019:

- a. The budget and performance standards developed and certified by the Florida Clerk of Courts Operations Corporation and Sections 28.35 and 28.36 *Florida Statutes*.

We also examined the County's compliance with Section 365.172(10) and 365.173(2)(d) *Florida Statutes* and requirements specified by the E911 board grant and special disbursement programs. These laws require that E911 fee revenues, interest and E911 grant funding be used to pay for authorized expenditures as specified in the *Statutes*.

Management is responsible for the County's and Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the County's and the Clerk's compliance based on our examinations.

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's and the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the County's and the Clerk's compliance with specified requirements.

In our opinion, Columbia County, Florida and the Columbia County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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



POWELL & JONES
Certified Public Accountants
March 23, 2020

District No. 1 - Ronald Williams
District No. 2 - Rocky Ford
District No. 3 - Bucky Nash
District No. 4 - Toby Witt
District No. 5 - Tim Murphy



BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY

June 10, 2020

Ms. Sherrill Foltz Norman, C.P.A.
AUDITOR GENERAL
State of Florida
The Capital
Tallahassee, Florida 32399

RE: Response to Management Letter –
Annual Financial Report Fiscal Year Ended September 30, 2019
Columbia County

Dear Auditor General:

The Columbia County Board of County Commissioners is pleased to accept the management letter reflecting no prior year findings and no reportable current year findings.

Staff and management have worked diligently to ensure the implementation of proper controls and improved procedures. We continue to seek opportunities to enhance the performance of our financial responsibilities.

Sincerely,

A handwritten signature in blue ink, which appears to read "Ben Scott", is written over the word "Sincerely,".

Ben Scott
County Manager

XC: Board of County Commissioners
P. DeWitt Cason, Clerk of Courts
Richard Powell, C.P.A.
Danielle Beard, Finance Director
Melinda Pensinger, Finance Director
Outgoing Correspondence

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

CLERK OF THE CIRCUIT COURT

COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2019

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Powell & Jones
Certified Public Accountants

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

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 719-5504
admin@powellandjonescpa.com

INDEPENDENT AUDITOR'S REPORT

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, 2019, 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.

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

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, 2019, 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 March 25, 2020, on our consideration of the Clerk of the Circuit Court'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 Clerk of the Circuit Court'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 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
March 25, 2020

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT

**COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 2019**

	Governmental Fund Types		Fiduciary	Totals
	General Fund	Special Revenue Funds	Agency Funds	
ASSETS				
Current assets				
Cash	\$ 390,659	\$ 268,255	\$ 1,085,169	\$ 1,744,083
Accounts receivable	-	-	3,320	3,320
Due from other funds	135,248	12,675	-	147,923
Due from other governmental units	19,478	-	-	19,478
Total assets	\$ 545,385	\$ 280,930	\$ 1,088,489	\$ 1,914,804
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 8,599	\$ 6,992	\$ -	\$ 15,591
Due to individuals	-	-	321,397	321,397
Due to other funds	-	1,498	146,425	147,923
Due to Board of County Commissioners	168,710	-	37,195	205,905
Due to other governmental units	242,303	-	328,817	571,120
Deposits	-	-	231,025	231,025
Unearned revenue	125,773	-	-	125,773
Other current liabilities	-	-	23,630	23,630
Total liabilities	545,385	8,490	1,088,489	1,642,364
FUND BALANCES				
Restricted	-	272,884	-	272,884
Committed	-	(444)	-	(444)
Total fund balances	-	272,440	-	272,440
Total liabilities and fund balances	\$ 545,385	\$ 280,930	\$ 1,088,489	\$ 1,914,804

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, 2019**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
REVENUES			
Intergovernmental	\$ 149,366	\$ -	\$ 149,366
Charges for services	1,690,183	139,473	1,829,656
Fines and forfeitures	74,381	-	74,381
Total revenues	1,913,930	139,473	2,053,403
EXPENDITURES			
Current expenditures			
General government	697,944	92,501	790,445
Court related	1,442,451	10,044	1,452,495
Capital outlay	-	42,042	42,042
Total expenditures	2,140,395	144,587	2,284,982
Excess of revenues over (under) expenditures	(226,465)	(5,114)	(231,579)
OTHER FINANCING SOURCES			
Transfers from the Board of County Commissioners	593,070	-	593,070
Transfers to other governmental units	(366,605)	-	(366,605)
Total other financing sources	226,465	-	226,465
Net change in fund balance	-	(5,114)	(5,114)
Fund balance at beginning of year	-	277,554	277,554
Fund balance at end of year	\$ -	\$ 272,440	\$ 272,440

See notes to financial statements.

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, 2019**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ 147,358	\$ 149,366	\$ 2,008	\$ -	\$ -	\$ -
Charges for services	1,604,667	1,690,183	85,516	139,473	139,473	-
Fines and forfeitures	-	74,381	74,381	-	-	-
Total revenues	1,752,025	1,913,930	161,905	139,473	139,473	-
EXPENDITURES						
Current expenditures						
General government	969,916	697,944	271,972	92,501	92,501	-
Court related	1,190,973	1,442,451	(251,478)	10,044	10,044	-
Capital outlay	-	-	-	42,042	42,042	-
Total expenditures	2,160,889	2,140,395	20,494	144,587	144,587	-
Excess of revenues over (under) expenditures	(408,864)	(226,465)	182,399	(5,114)	(5,114)	-
OTHER FINANCING SOURCES						
Transfers from Board of County Commissioners	408,864	593,070	184,206	-	-	-
Transfers to other governmental units	-	(366,605)	(366,605)	-	-	-
Total other financing sources	408,864	226,465	(182,399)	-	-	-
Net change in fund balances	-	-	-	(5,114)	(5,114)	-
Fund balance at beginning of year	-	-	-	277,554	277,554	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ 272,440	\$ 272,440	\$ -

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

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 Funds**

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, 2019, the Clerk maintained the following Special Revenue Funds:

Public Records Modernization Trust Fund
Teen Court Fund

(ii) **Fiduciary Funds**

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, 2019, the book balance of the Clerk's deposits was \$1,744,083. The bank balance was \$1,640,745. 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, \$102,359, is reported in the General Long-Term Debt Accounts of the Board of County Commissioners.

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

J. Risk Management - The 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, 2019 were as follows: Regular Employees 8.47%; Senior Management 25.41%; Elected Officials 48.82%, and employees electing the DROP Program 14.60%. 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, 2019, 2018, and 2017 were \$185,800, \$174,770, and \$156,005, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, were:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 135,248	\$ -
Public Records Modernization Trust	11,260	-
Teen Court	1,415	1,498
Trust	-	146,425
	<u>\$ 147,923</u>	<u>\$ 147,923</u>

NOTE 5. 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 \$15,233. Future minimum lease payments for these leases are as follows:

<u>Year Ending September 30,</u>	<u>Minimum Lease Payments</u>
2020	\$ 8,555
2021	2,407
2022	2,407
2022	401
	<u>\$ 13,770</u>

NOTE 6. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2019, 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, 2019:

Fund	Classification					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
Special Revenue Funds						
Public Records						
Modernization Trust	\$ -	\$ 272,884	\$ -	\$ -	\$ -	\$ 272,884
Teen Court	-	-	(444)	-	-	(444)
Reserved 10% Fines	-	-	-	-	-	-
Total Fund Balances	\$ -	\$ 272,884	\$ (444)	\$ -	\$ -	\$ 272,440

NOTE 7. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida 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 Clerk expects such amounts, if any, to be immaterial.

**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS**

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
GENERAL FUND
BALANCE SHEET**

September 30, 2019

ASSETS

Current assets

Cash	\$ 390,659
Due from other funds	135,248
Due from other governmental units	<u>19,478</u>

Total assets \$ 545,385

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities

Accounts payable	\$ 8,599
Due to Board of County Commissioners	168,710
Due to State	242,303
Unearned revenue	<u>125,773</u>

Total liabilities 545,385

FUND BALANCE

Unreserved -

Total liabilities and fund balance \$ 545,385

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, 2019

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
Federal grants				
IV - D grant	\$ 85,000	\$ 85,000	\$ 60,964	\$ (24,036)
State grants				
State court reimbursement	51,948	51,948	48,096	(3,852)
Jury appropriation	10,410	10,410	40,306	29,896
Total intergovernmental revenue	<u>147,358</u>	<u>147,358</u>	<u>149,366</u>	<u>2,008</u>
General government				
Charges for services				
Noncourt charges for services				
Recording	200,000	200,000	206,693	6,693
Documentary stamp commissions	18,000	18,000	13,017	(4,983)
Marriage licenses fees and charges	20,000	20,000	22,042	2,042
Passports	28,000	28,000	34,550	6,550
Copies	17,000	17,000	20,565	3,565
Other charges	30,801	30,801	41,203	10,402
Total general government	<u>313,801</u>	<u>313,801</u>	<u>338,070</u>	<u>24,269</u>
Court related				
Court related charges for services				
Circuit Criminal	120,000	120,000	165,880	45,880
Circuit Civil	220,000	220,000	214,489	(5,511)
County Criminal	205,000	205,000	121,752	(83,248)
County Civil	322,866	322,866	360,573	37,707
Traffic	370,000	370,000	434,621	64,621
Juvenile	3,000	3,000	3,041	41
Probate	50,000	50,000	51,757	1,757
Clerk 10% of fines	-	-	74,381	74,381
Total court related charges for services	<u>1,290,866</u>	<u>1,290,866</u>	<u>1,426,494</u>	<u>135,628</u>
Total charges for services	<u>1,604,667</u>	<u>1,604,667</u>	<u>1,764,564</u>	<u>159,897</u>
Total revenues	<u>1,752,025</u>	<u>1,752,025</u>	<u>1,913,930</u>	<u>161,905</u>

See notes to financial statements.
(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, 2019

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
EXPENDITURES				
Board of County Commissioners				
Personnel services	\$ 424,309	\$ 424,309	\$ 343,770	\$ 80,539
Operating expenses	3,000	3,000	1,345	1,655
Total Board of County Commissioners	427,309	427,309	345,115	82,194
Other general government				
Personnel services	246,730	246,730	244,817	1,913
Operating expenses	1,542	1,542	30,496	(28,954)
Total other general government	248,272	248,272	275,313	(27,041)
Clerk administration				
Personnel services	289,648	289,648	247,117	42,531
Operating expenses	4,687	4,687	99,383	(94,696)
Total Clerk administration	294,335	294,335	346,500	(52,165)
Jury Management				
Personnel services	39,086	39,086	39,708	(622)
Operating expenses	12,862	12,862	12,070	792
Total jury management	51,948	51,948	51,778	170
Circuit Criminal				
Personnel services	224,879	224,879	218,458	6,421
Operating expenses	8,129	8,129	7,884	245
Total circuit criminal	233,008	233,008	226,342	6,666
Circuit Civil				
Personnel services	101,951	101,951	98,530	3,421
Operating expenses	3,612	3,612	2,287	1,325
Total circuit civil	105,563	105,563	100,817	4,746
Circuit Family				
Personnel services	55,339	55,339	65,283	(9,944)
Operating expenses	4,208	4,208	8,721	(4,513)
Total circuit family	59,547	59,547	74,004	(14,457)

See notes to financial statements.
(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, 2019**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Circuit Juvenile				
Personnel services	\$ 77,013	\$ 77,013	\$ 78,578	\$ (1,565)
Operating expenses	2,709	2,709	2,477	232
Total circuit juvenile	<u>79,722</u>	<u>79,722</u>	<u>81,055</u>	<u>(1,333)</u>
Circuit Probate				
Personnel services	65,790	65,790	65,882	(92)
Operating expenses	2,258	2,258	3,216	(958)
Total circuit probate	<u>68,048</u>	<u>68,048</u>	<u>69,098</u>	<u>(1,050)</u>
Information Technology				
Personnel services	81,500	81,500	76,240	5,260
Operating expenses	1,500	1,500	1,276	224
Total information technology	<u>83,000</u>	<u>83,000</u>	<u>77,516</u>	<u>5,484</u>
County Criminal				
Personnel services	206,648	206,648	165,033	41,615
Operating expenses	8,579	8,579	11,639	(3,060)
Total county criminal	<u>215,227</u>	<u>215,227</u>	<u>176,672</u>	<u>38,555</u>
County Civil				
Personnel services	113,638	113,638	103,902	9,736
Operating expenses	4,516	4,516	2,980	1,536
Total county civil	<u>118,154</u>	<u>118,154</u>	<u>106,882</u>	<u>11,272</u>
County Traffic				
Personnel services	170,886	170,886	160,577	10,309
Operating services	5,870	5,870	48,726	(42,856)
Total county traffic	<u>176,756</u>	<u>176,756</u>	<u>209,303</u>	<u>(32,547)</u>
Total expenditures	<u>2,160,889</u>	<u>2,160,889</u>	<u>2,140,395</u>	<u>20,494</u>
Excess of revenues over (under) expenditures	<u>(408,864)</u>	<u>(408,864)</u>	<u>(226,465)</u>	<u>182,399</u>
Other financing sources				
Transfers from Board of County Commissioners				
Commissioners	408,864	408,864	593,070	184,206
Transfers to Board of County Commissioners	-	-	(168,710)	(168,710)
Transfers to State	-	-	(197,895)	(197,895)
Total other financing sources	<u>408,864</u>	<u>408,864</u>	<u>226,465</u>	<u>(182,399)</u>
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

SPECIAL REVENUE FUNDS

COLUMBIA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET**

September 30, 2019

	Public Records Modernization		
	Trust	Teen Court	Totals
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current assets			
Cash	\$ 268,255	\$ -	\$ 268,255
Due from other funds	11,260	1,415	12,675
Total assets	<u>\$ 279,515</u>	<u>\$ 1,415</u>	<u>\$ 280,930</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Current liabilities			
Accounts payable	\$ 6,631	\$ 361	\$ 6,992
Due to other funds	-	1,498	1,498
Total liabilities	<u>6,631</u>	<u>1,859</u>	<u>8,490</u>
FUND BALANCES			
Restricted	272,884	-	272,884
Committed	-	(444)	(444)
Total fund balances	<u>272,884</u>	<u>(444)</u>	<u>272,440</u>
Total liabilities and fund balances	<u>\$ 279,515</u>	<u>\$ 1,415</u>	<u>\$ 280,930</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 BALANCES

For the Fiscal Year Ended September 30, 2019

	Public Records Modernization		
	<u>Trust</u>	<u>Teen Court</u>	<u>Totals</u>
REVENUES			
Charges for services			
General Government			
Recording of legal instruments	\$ 121,143	\$ -	\$ 121,143
Court related	-	18,330	18,330
Fines and forfeitures	-	-	-
Total revenues	<u>121,143</u>	<u>18,330</u>	<u>139,473</u>
EXPENDITURES			
General Government			
Financial and administrative			
Operating expenses	<u>92,501</u>	-	<u>92,501</u>
Total general government	<u>92,501</u>	-	<u>92,501</u>
Court related			
Judicial			
Operating expenses	-	10,044	10,044
Capital outlay	<u>42,042</u>	-	<u>42,042</u>
Total court related	<u>42,042</u>	<u>10,044</u>	<u>52,086</u>
Total expenditures	<u>134,543</u>	<u>10,044</u>	<u>144,587</u>
Excess of revenues over (under) expenditures	<u>(13,400)</u>	<u>8,286</u>	<u>(5,114)</u>
Net change in fund balances	(13,400)	8,286	(5,114)
Fund balances at beginning of year	286,284	(8,730)	277,554
Fund balances at end of year	<u>\$ 272,884</u>	<u>\$ (444)</u>	<u>\$ 272,440</u>

See notes to financial statements.

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2019**

	Clerk Trust	Employee Sunshine	Domestic Relations	Jury and Witness	Public Defender Occupancy Trust	Totals
ASSETS						
Cash	\$ 1,057,401	\$ 901	\$ 1,023	\$ 5,577	\$ 20,267	\$ 1,085,169
Accounts receivable	3,320	-	-	-	-	3,320
Total assets	\$ 1,060,721	\$ 901	\$ 1,023	\$ 5,577	\$ 20,267	\$ 1,088,489
LIABILITIES						
Due to individuals	\$ 315,820	\$ -	\$ -	\$ 5,577	\$ -	\$ 321,397
Due to other funds	183,494	-	422	-	-	183,916
Due to Board of County Commissioners	37,195	-	-	-	-	37,195
Due to other governmental units	290,725	-	601	-	-	291,326
Deposits	231,025	-	-	-	-	231,025
Other current liabilities	2,462	901	-	-	20,267	23,630
Total liabilities	\$ 1,060,721	\$ 901	\$ 1,023	\$ 5,577	\$ 20,267	\$ 1,088,489

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

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

For the Fiscal Year Ended September 30, 2019

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
TRUST FUND				
Assets				
Cash	\$ 1,464,212	\$ 8,366,921	\$ 8,773,732	\$ 1,057,401
Accounts receivable	3,474	16,288	16,442	3,320
Total assets	\$ 1,467,686	\$ 8,383,209	\$ 8,790,174	\$ 1,060,721
Liabilities				
Due to individuals	\$ 727,032	\$ 15,837	\$ 427,049	\$ 315,820
Due to other funds	167,773	1,394,400	1,416,170	183,494
Due to Board of County Commissioners	43,218	415,450	421,473	37,195
Due to other governmental units	375,610	963,658	1,011,052	290,725
Deposits	127,616	3,033,242	2,929,833	231,025
Other current liabilities	26,437	2,492,224	2,516,199	2,462
Total liabilities	\$ 1,467,686	\$ 8,314,811	\$ 8,721,776	\$ 1,060,721
EMPLOYEE SUNSHINE FUND				
Assets				
Cash	\$ 337	\$ 1,009	\$ 445	\$ 901
Total assets	\$ 337	\$ 1,009	\$ 445	\$ 901
Liabilities				
Other current liabilities	\$ 337	\$ 1,009	\$ 445	\$ 901
Total liabilities	\$ 337	\$ 1,009	\$ 445	\$ 901
DOMESTIC RELATIONS FUND				
Assets				
Cash	\$ 739	\$ 63,922	\$ 63,638	\$ 1,023
Total assets	\$ 739	\$ 63,922	\$ 63,638	\$ 1,023
Liabilities				
Due to other funds	\$ -	\$ 4,400	\$ 3,978	\$ 422
Due to other governmental units	739	58,073	58,211	601
Total liabilities	\$ 739	\$ 62,473	\$ 62,189	\$ 1,023
JURY AND WITNESS FUND				
Assets				
Cash	\$ 7,732	\$ 7,755	\$ 9,910	\$ 5,577
Total assets	\$ 7,732	\$ 7,755	\$ 9,910	\$ 5,577
Liabilities				
Due to individuals	\$ 7,732	\$ 10,072	\$ 12,227	\$ 5,577
Total liabilities	\$ 7,732	\$ 10,072	\$ 12,227	\$ 5,577

See notes to financial statements.
(continued)

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

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

For the Fiscal Year Ended September 30, 2019

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
PUBLIC DEFENDER				
OCCUPANCY TRUST FUND				
Assets				
Cash	\$ 22,204	\$ 65,683	\$ 67,620	\$ 20,267
Total assets	\$ 22,204	\$ 65,683	\$ 67,620	\$ 20,267
Liabilities				
Other current liabilities	\$ 22,204	\$ 65,683	\$ 67,620	\$ 20,267
Total liabilities	\$ 22,204	\$ 65,683	\$ 67,620	\$ 20,267
 TOTALS - ALL FUNDS				
Assets				
Cash	\$ 1,495,224	\$ 8,505,290	\$ 8,915,345	\$ 1,085,169
Accounts receivable	3,474	16,288	16,442	3,320
Total assets	\$ 1,498,698	\$ 8,521,578	\$ 8,931,787	\$ 1,088,489
Liabilities				
Due to individuals	\$ 734,764	\$ 25,909	\$ 439,276	\$ 321,397
Due to other funds	167,773	1,398,800	1,420,148	146,425
Due to Board of County Commissioners	43,218	415,450	421,473	37,195
Due to other governmental units	376,349	1,021,731	1,069,263	328,817
Deposits	127,616	3,033,242	2,929,833	231,025
Other current liabilities	48,978	2,558,916	2,584,264	23,630
Total liabilities	\$ 1,498,698	\$ 8,454,048	\$ 8,864,257	\$ 1,088,489

See notes to financial statements.

COMPLIANCE SECTION

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

To the 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, 2019, 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 March 25, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Columbia County Clerk of Court'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 Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Columbia County Clerk of Court'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 Clerk of the Circuit Court'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 black ink that reads "Powell & Jones". The signature is written in a cursive, flowing style.

POWELL & JONES
Certified Public Accountants
March 25, 2020

**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, 2019, and have issued our report thereon dated March 25, 2020. 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, 2018. The financial statements of the Clerk of the Circuit Court are combined with other County agencies in this report.

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(5)a 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 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.

A handwritten signature in black ink that reads "Powell & Jones". The signature is written in a cursive, flowing style.

POWELL & JONES
Certified Public Accountants
March 25, 2020

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court
Columbia County, Florida

We have examined the Columbia County, Florida's Clerk of the Circuit Court's (Clerk's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. We have also examined the Clerk's compliance with Section 61.18 *Florida Statutes*, regarding the Clerk's alimony and child support payments and Sections 28.35 and 28.36; *Florida Statutes* as to the following during the fiscal year ended September 30, 2019:

- a. The budget and performance standards developed and certified by the Florida Clerk of Courts Operations Corporation and Section 28.35 and 28.36 *Florida Statutes*.

Management is responsible for the Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examinations.

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Columbia County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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



POWELL & JONES
Certified Public Accountants
March 25, 2020

PROPERTY APPRAISER

COLUMBIA COUNTY, FLORIDA

PROPERTY APPRAISER

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

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, 2019, 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.

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 opinions.

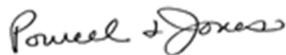
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser 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, 2019, 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 our report dated March 20, 2020, 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
March 20, 2020

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**PROPERTY APPRAISER
GENERAL FUND
BALANCE SHEET
September 30, 2019**

ASSETS

Cash	77,851
Total assets	\$ 77,851

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities

Due to Board of County Commissioners	\$ 71,355
Due to other governmental units	5,944
Other current liabilities	552
Total liabilities and fund balance	\$ 77,851

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, 2019**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
General government				
County officer fees				
Lake Shore Hospital Authority	\$ 91,437	\$ 91,437	\$ 86,491	\$ (4,946)
Suwannee River Water Management District	38,296	38,296	36,224	(2,072)
Total charges for services	129,733	129,733	122,716	(7,017)
Miscellaneous				
Interest earnings	-	-	144	144
Other miscellaneous	26,389	26,389	3,448	(22,941)
Total miscellaneous	26,389	26,389	3,592	(22,797)
Total revenues	156,122	156,122	126,308	(29,814)
EXPENDITURES				
General government				
Financial and administrative				
Personnel services	1,316,617	1,332,441	1,331,213	1,228
Operating expenses	370,411	354,587	352,479	2,108
Capital outlay	26,390	26,390	3,425	22,965
Total expenditures	1,713,418	1,713,418	1,687,117	26,301
Excess of revenues over (under) expenditures	(1,557,296)	(1,557,296)	(1,560,809)	(3,513)
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners				
	1,557,296	1,557,296	1,560,809	3,513
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

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, 2019, the book balance of the Property Appraiser's deposits was \$77,851. Of the total bank balance of \$285,502, \$250,000 was covered by federal depository insurance. The bank balances that are not covered by federal depository insurance are covered by collateral held at the qualified depository at which the funds are held. Chapter 280, *Florida Statutes*, defines the collateral for qualified depositories.

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 \$94,277, 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 employer rates at September 30, 2019 were as follows: Regular Employees 8.47%; Senior Management 25.41%; Elected Officials 48.82% and Deferred Retirement Option Program (DROP) 14.60%. 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, 2019, 2018 and 2017 were \$166,535, \$157,055 and, \$139,176 respectively equal to the required contributions for each year.

NOTE 4. OPERATING LEASE

The Property Appraiser has an operating lease with Sissine's Office Systems for a copier and mailer from Pitney Bowes. Future minimum lease payments under this agreement is as follows:

Year Ending September 30		
2020	\$	4,586
2021		4,586
2022		4,586
2023		2,461
	\$	<u>16,219</u>

Lease expense for the year was \$6,457.

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, 2019, 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 March 20, 2020.

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.



POWELL & JONES
Certified Public Accountants
March 20, 2020

**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, 2019, and have issued our report thereon dated March 20, 2020.

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 March 20, 2020. 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, 2019. The financial statements of the Property Appraiser are combined with other County agencies in this report.

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(5)(a) 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
March 20, 2020

INDEPENDENT ACCOUNTANT'S REPORT

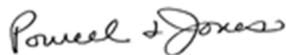
To The Property Appraiser
Columbia County, Florida

We have examined the Columbia County, Florida Property Appraiser's (the Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Property Appraiser's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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



POWELL & JONES
Certified Public Accountants
March 20, 2020

SHERIFF

COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

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COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Honorable Sheriff
Columbia County, Florida

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, 2019, 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, 2019, 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.

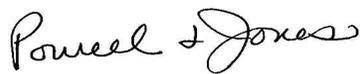
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 7, 2020, 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Columbia County, Florida Sheriff's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards 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 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 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
February 7, 2020

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**SHERIFF
COMBINED BALANCE SHEET
ALL FUND TYPES**

September 30, 2019

	<u>Governmental Funds</u>		<u>Fiduciary</u>	<u>Totals</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Fund Types Agency Funds</u>	
ASSETS				
Current assets				
Cash	\$ 1,439,870	\$ 751,135	\$ 497,891	\$ 2,688,896
Accounts receivable	7,501	-	-	7,501
Commissions receivable	-	17,396	-	17,396
Due from other funds	3,716	31,219	-	34,935
Due from other governmental units	38,323	-	-	38,323
Total assets	\$ 1,489,410	\$ 799,750	\$ 497,891	\$ 2,787,051
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 653,378	\$ 31,435	\$ -	\$ 684,813
Accrued liabilities	680,416	-	-	680,416
Due to Individuals	-	-	5,938	5,938
Due to Board of County Commissioners	155,616	-	6,461	162,077
Due to other funds	-	-	34,935	34,935
Other current liabilities	-	-	450,557	450,557
Total current liabilities	1,489,410	31,435	497,891	2,018,736
FUND BALANCES				
Fund balances restricted	-	768,315	-	768,315
Total liabilities and fund balances	\$ 1,489,410	\$ 799,750	\$ 497,891	\$ 2,787,051

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

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

For the Fiscal Year Ended September 30, 2019

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Totals</u>
REVENUES			
Intergovernmental	\$ 52,226	\$ -	\$ 52,226
Charges for services	170,441	15,791	186,232
Fines and forfeitures	-	31,468	31,468
Miscellaneous	179,142	265,928	445,070
Total revenues	401,809	313,187	714,996
EXPENDITURES			
Current expenditures			
Public safety	15,560,840	165,229	15,726,069
Capital outlay			
Public safety	474,121	59,260	533,381
Total expenditures	16,034,961	224,489	16,259,450
Excess of revenues over (under) expenditures	(15,633,152)	88,698	(15,544,454)
Other Financing Sources/Uses			
Transfers from Board of County Commissioners	15,633,152	-	15,633,152
Net change in fund balances	-	88,698	88,698
Fund balances at beginning of year	-	679,617	679,617
Fund balances at end of year	\$ -	\$ 768,315	\$ 768,315

See notes to financial statements.

**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, 2019**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	\$ -	\$ 52,226	\$ 52,226	\$ -	\$ -	\$ -
Charges for services	-	170,441	170,441	15,791	15,791	-
Fines and forfeitures	-	-	-	31,468	31,468	-
Miscellaneous	-	179,142	179,142	265,928	265,928	-
Total revenue	-	401,809	401,809	313,187	313,187	-
EXPENDITURES						
Current expenditures						
Public safety	15,313,717	15,560,840	(247,123)	165,229	165,229	-
Capital outlay						
Public safety	475,050	474,121	929	59,260	59,260	-
Total expenditures	15,788,767	16,034,961	(246,194)	224,489	224,489	-
Excess of revenues over (under) expenditures	(15,788,767)	(15,633,152)	155,615	88,698	88,698	-
Other Financing Sources						
Transfers from Board of County Commissioners	15,788,767	15,633,152	(155,615)	-	-	-
Total other financing sources	15,788,767	15,633,152	(155,615)	-	-	-
Net change in fund balances	-	-	-	88,698	88,698	-
Fund balances at beginning of year	-	-	-	679,617	679,617	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 768,315	\$ 768,315	\$ -

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

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, 2019, the Sheriff maintained the following Special Revenue Funds:

Minimum Standards School
Multi-jurisdictional Task Force
Inmate Welfare
Forfeiture - Non Grant
Work Program

(ii) **Fiduciary Funds**

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

Inmate Trust
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, 2019, the book balance of the Sheriff's deposits was \$2,688,896. The bank balances were \$2,718,806. 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	\$ -	\$2,214,578	\$ -	\$2,214,578
FDIC Insurance	504,228	-	-	504,228
Total deposits	<u>\$ 504,228</u>	<u>\$2,214,578</u>	<u>\$ -</u>	<u>\$2,718,806</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 \$1,228,782 is reported in the general long-term debt accounts of the Board of County Commissioners.

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

J. Risk Management - The 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 10/01/18	Donations & Other	Additions	Deletions	Balance 09/30/2019
Equipment	\$ 7,814,830	\$ 1,315,876	\$ 533,381	\$ (253,836)	\$ 9,410,251

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, 2019 were as follows: Regular Employees 8.47%; Special Risk Employees 25.48%; Senior Management 25.41%; Elected Officials 48.82%, and employees electing the DROP program 14.60%. 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, 2019, 2018 and 2017 were \$1,786,539, \$1,596,588 and \$1,384,823, 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 is exposed to risk or loss for claims and judgments for public liability, worker's compensation, and other special risks. Public liability and special risks are covered by commercial insurance policies which are accounted for in the Sheriff's general fund. The Sheriff bears no risk of loss under this type of coverage. There has been no significant reduction in insurance coverage from the prior fiscal year. Insurance coverage has been sufficient to cover all claims made in the prior three fiscal years.

The Sheriff is a member of Florida Sheriffs' Self-Insurance Fund, which administers insurance activities relating to property and general liability; Florida Sheriffs' Workers' Compensation Self-Insurance Fund, which administers workers' compensation insurance; and Sheriffs' Automobile Risk Program which administers automobile liability and physical damage insurance. Those funds and program absorb losses up to a specified amount annually and purchase excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

The Sheriff is a member of the Florida Sheriffs Multiple Employers Trust Consortium, which is a self-funded healthcare pool. The funds contributed in the form of premiums and that of the program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

The Sheriff utilizes a pooled, self-funded health plan to provide comprehensive medical benefits to the employees, retirees and their dependents. It is funded by contributions from the Sheriff's Office and employees. In compliance with *Florida Statute* Section 112.08, an actuarial review of the Plan demonstrates the current rate structure of the Plan plus the current net assets available for

benefits appears adequate to support current outstanding claims as well as those projected claims and expenses for the next Plan year.

NOTE 6. UNEARNED REVENUE

The Sheriff reports unearned revenue, if applicable, on the combined balance sheet. Unearned revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned 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 unearned 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 \$51,190. The future minimum payments under these leases at September 30, 2019, are as follows:

<u>Year Ending September 30</u>	<u>Minimum Lease Payment</u>
2020	\$ 41,841
2021	7,035
	<u>\$ 48,876</u>

NOTE 8. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2019, 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, 2019:

	Classification					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
Special Revenue Funds						
Minimum Standards School	\$ -	\$ 10,134	\$ -	\$ -	\$ -	\$ 10,134
Forfeiture	-	39,780	-	-	-	39,780
Inmate Welfare	-	547,086	-	-	-	547,086
Forfeiture Nongrant	-	158,935	-	-	-	158,935
Work Program	-	12,380	-	-	-	12,380
	<u>\$ -</u>	<u>\$ 768,315</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 768,315</u>

**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS**

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

**GENERAL FUND
BALANCE SHEET**

September 30, 2019

ASSETS

Current assets

Cash	\$ 1,439,870
Accounts receivable	7,501
Due from other funds	3,716
Due from other governmental units	38,323
Total assets	<u>\$ 1,489,410</u>

LIABILITIES

Liabilities

Accounts payable	\$ 653,378
Accrued liabilities	680,416
Due to Board of County Commissioners	155,616
Total liabilities	<u>\$ 1,489,410</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

**GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenue				
Federal grants				
US Department of Justice	\$ -	\$ -	\$ 52,226	\$ 52,226
Charges for Services				
Public safety				
Police services	-	-	170,441	170,441
Miscellaneous				
Interest	-	-	1,550	1,550
Other	-	-	177,592	177,592
Total revenue	-	-	401,809	401,809
EXPENDITURES				
Administration				
Personnel services	1,033,291	1,085,936	1,085,830	106
Operating expenses	191,163	233,863	233,211	652
Capital outlay	-	-	-	-
Total administration	1,224,454	1,319,799	1,319,041	758
Road Patrol				
Personnel services	3,163,112	3,350,112	3,397,363	(47,251)
Operating expenses	605,680	669,230	667,606	1,624
Capital outlay	330,000	334,000	333,374	626
Total road patrol	4,098,792	4,353,342	4,398,343	(45,001)
Detective				
Personnel services	1,115,098	1,112,498	1,111,678	820
Operating expenses	124,245	125,095	123,721	1,374
Capital outlay	-	-	-	-
Total detective	1,239,343	1,237,593	1,235,399	2,194
Civil				
Personnel services	379,232	364,032	362,571	1,461
Operating expenses	45,100	40,950	40,408	542
Capital outlay	-	-	-	-
Total civil	424,332	404,982	402,979	2,003
Records Evidence				
Personnel services	282,509	282,179	282,015	164
Operating expenses	31,010	27,595	27,282	313
Capital outlay	-	-	-	-
Total records evidence	313,519	309,774	309,297	477

(Continued)

COLUMBIA COUNTY, FLORIDA

SHERIFF

**GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Communications				
Personnel services	\$ 48,850	\$ 48,150	\$ 48,102	\$ 48
Operating expenses	13,000	12,300	12,206	94
Total corrections	61,850	60,450	60,308	142
Corrections				
Personnel services	3,881,314	3,645,914	3,645,749	165
Operating expenses	1,137,000	1,115,450	1,147,096	(31,646)
Capital outlay	10,000	61,050	60,990	60
Total corrections	5,028,314	4,822,414	4,853,835	(31,421)
Sheriff Task Force				
Personnel services	405,094	424,854	481,178	(56,324)
Operating expenses	50,700	60,400	84,886	(24,486)
Capital outlay	-	-	-	-
Total Sheriff Task Force	455,794	485,254	566,064	(80,810)
School Resources				
Personnel services	1,396,076	1,201,326	1,200,071	1,255
Operating expenses	50,250	120,700	119,638	1,062
Capital outlay	-	-	-	-
Total community affairs	1,446,326	1,322,026	1,319,709	2,317
Bullet Proof Vest				
Operating expenses	-	-	9,291	(9,291)
Information Technology				
Operating expenses	183,666	380,971	428,902	(47,931)
Capital outlay	105,000	80,000	79,757	243
Total Information Technology	288,666	460,971	508,659	(47,688)
Community Services				
Personnel services	145,690	151,590	151,194	396
Operating expenses	16,900	19,760	19,351	409
Total Community services	162,590	171,350	170,545	805
Courts Judicial				
Personnel services	664,746	631,546	630,242	1,304
Operating expenses	72,785	58,310	57,901	409
Capital outlay	-	-	-	-
Total court judicial	737,531	689,856	688,143	1,713

(Continued)

COLUMBIA COUNTY, FLORIDA

SHERIFF

**GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Warrants				
Personnel services	\$ 144,556	\$ 145,306	\$ 144,986	\$ 320
Operating expenses	5,200	5,650	5,427	223
Total warrants	149,756	150,956	150,413	543
Crime Analyst Grant				
Personnel services	-	-	41,977	(41,977)
Operating expenses	-	-	958	(958)
Total JAG equipment grant	-	-	42,935	(42,935)
Total expenditures	15,631,267	15,788,767	16,034,961	(246,194)
Excess of revenues over (under) expenditures	(15,631,267)	(15,788,767)	(15,633,152)	155,615
Other financing sources				
Transfers from the Board of County Commissioners	15,631,267	15,788,767	15,633,152	(155,615)
Total other financing sources	15,631,267	15,788,767	15,633,152	(155,615)
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

SHERIFF

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2019**

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Totals
ASSETS						
Current Assets						
Cash	\$ 10,134	\$ 39,780	\$ 529,906	\$ 158,935	\$ 12,380	\$ 751,135
Commissions receivable	-	-	17,396	-	-	17,396
Due from other funds	-	-	31,219	-	-	31,219
Due from other governmental units	-	-	-	-	-	-
Total current assets	\$ 10,134	\$ 39,780	\$ 578,521	\$ 158,935	\$ 12,380	\$ 799,750
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 31,435	\$ -	\$ -	\$ 31,435
Total liabilities	-	-	31,435	-	-	31,435
FUND BALANCES - Restricted	10,134	39,780	547,086	158,935	12,380	768,315
Total liabilities and fund balances	\$ 10,134	\$ 39,780	\$ 578,521	\$ 158,935	\$ 12,380	\$ 799,750

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SHERIFF
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2019**

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Nongrant</u>	<u>Work Program</u>	<u>Totals</u>
REVENUES						
Charges for services						
Public Safety						
Other public safety charges	\$ -	\$ 15,791	\$ -	\$ -	\$ -	\$ 15,791
Fines and forfeitures						
Court cases						
Confiscated property and restitution	-	7,375	-	15,569	-	22,944
Law enforcement education	8,524	-	-	-	-	8,524
Total fines and forfeitures	8,524	7,375	-	15,569	-	31,468
Miscellaneous						
Interest	9	43	233	189	6	480
Other miscellaneous						
Commissions	-	-	250,134	-	-	250,134
Other	-	-	14,876	-	438	15,314
Total miscellaneous	9	43	265,243	189	444	265,928
Total revenues	8,533	23,209	265,243	15,758	444	313,187
EXPENDITURES						
Public Safety						
Law enforcement						
Operating expenses	8,768	35,171	-	5,225	180	49,344
Capital outlay	-	1,250	-	58,010	-	59,260
Total law enforcement	\$ 8,768	\$ 36,421	\$ -	\$ 63,235	\$ 180	\$ 108,604

(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, 2019

	<u>Minimum Standards School</u>	<u>Forfeiture</u>	<u>Inmate Welfare</u>	<u>Forfeiture Nongrant</u>	<u>Work Program</u>	<u>Totals</u>
Detention and correction						
Personnel services	\$ -	\$ -	\$ 18,299	\$ -	\$ -	\$ 18,299
Operating expenses	-	-	97,586	-	-	97,586
Capital outlay	-	-	-	-	-	-
Total detention and correction	<u>-</u>	<u>-</u>	<u>115,885</u>	<u>-</u>	<u>-</u>	<u>115,885</u>
Total expenditures	<u>8,768</u>	<u>36,421</u>	<u>115,885</u>	<u>63,235</u>	<u>180</u>	<u>224,489</u>
Excess of revenues over (under) expenditures	<u>(235)</u>	<u>(13,212)</u>	<u>149,358</u>	<u>(47,477)</u>	<u>264</u>	<u>88,698</u>
Net change in fund balances	<u>(235)</u>	<u>(13,212)</u>	<u>149,358</u>	<u>(47,477)</u>	<u>264</u>	<u>88,698</u>
Fund balances beginning of year	<u>10,369</u>	<u>52,992</u>	<u>397,728</u>	<u>206,412</u>	<u>12,116</u>	<u>679,617</u>
Fund balances end of year	<u>\$ 10,134</u>	<u>\$ 39,780</u>	<u>\$547,086</u>	<u>\$158,935</u>	<u>\$ 12,380</u>	<u>\$768,315</u>

See notes to financial statements.

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

SHERIFF

**AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2019**

	<u>Inmate Trust</u>	<u>Individual Depositors</u>	<u>Evidence Trust</u>	<u>Donations Trust</u>	<u>Totals</u>
ASSETS					
Current assets					
Cash	\$ 372,413	\$ 6,461	\$ 109,532	\$ 9,485	\$ 497,891
Accounts receivable	-	-	-	-	-
Total current assets	\$ 372,413	\$ 6,461	\$ 109,532	\$ 9,485	\$ 497,891
LIABILITIES					
Current liabilities					
Due to Individuals	\$ 5,938	\$ -	\$ -	\$ -	\$ 5,938
Due to Board of County Commissioners		6,461	-	-	6,461
Due to other funds	34,935	-	-	-	34,935
Other current liabilities	331,540	-	109,532	9,485	450,557
Total current liabilities	\$ 372,413	\$ 6,461	\$ 109,532	\$ 9,485	\$ 497,891

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2019

	Balance Oct. 1, 2018	Additions	Deletions	Balance Sept. 30, 2019
INMATE TRUST				
ASSETS				
Cash	\$ 372,120	\$ 577,241	\$ 576,949	\$ 372,413
Total assets	<u>\$ 372,120</u>	<u>\$ 577,241</u>	<u>\$ 576,949</u>	<u>\$ 372,413</u>
LIABILITIES				
Due to individuals	\$ 4,810	\$ 80,916	\$ 79,788	\$ 5,938
Due to other funds	38,114	520,530	523,709	34,935
Other current liabilities	329,196	650,291	647,947	331,540
Total liabilities	<u>\$ 372,120</u>	<u>\$ 1,251,737</u>	<u>\$ 1,251,444</u>	<u>\$ 372,413</u>
INDIVIDUAL DEPOSITORS				
ASSETS				
Cash	\$ 7,681	\$ 84,598	\$ 85,819	\$ 6,461
Total assets	<u>\$ 7,681</u>	<u>\$ 84,598</u>	<u>\$ 85,819</u>	<u>\$ 6,461</u>
LIABILITIES				
Individual depositors liability	\$ -	\$ 5,260	\$ 5,260	\$ -
Due to Board of County Commissioners	7,681	79,339	80,559	6,461
Total liabilities	<u>\$ 7,681</u>	<u>\$ 84,599</u>	<u>\$ 85,819</u>	<u>\$ 6,461</u>
EVIDENCE TRUST				
ASSETS				
Cash	\$ 88,833	\$ 53,065	\$ 32,365	\$ 109,532
Total assets	<u>\$ 88,833</u>	<u>\$ 53,065</u>	<u>\$ 32,365</u>	<u>\$ 109,532</u>
LIABILITIES				
Other current liabilities	\$ 88,833	\$ 53,064	\$ 32,365	\$ 109,532
Total liabilities	<u>\$ 88,833</u>	<u>\$ 53,064</u>	<u>\$ 32,365</u>	<u>\$ 109,532</u>
DONATIONS TRUST				
ASSETS				
Cash	\$ 9,147	\$ 36,186	\$ 35,848	\$ 9,485
Total assets	<u>\$ 9,147</u>	<u>\$ 36,186</u>	<u>\$ 35,848</u>	<u>\$ 9,485</u>
LIABILITIES				
Other current liabilities	\$ 9,147	\$ 36,186	\$ 35,848	\$ 9,485
Total liabilities	<u>\$ 9,147</u>	<u>\$ 36,186</u>	<u>\$ 35,848</u>	<u>\$ 9,485</u>
TOTALS-ALL AGENCY FUNDS				
ASSETS				
Cash	\$ 477,782	\$ 751,090	\$ 730,981	\$ 497,891
Total assets	<u>\$ 477,782</u>	<u>\$ 751,090</u>	<u>\$ 730,981</u>	<u>\$ 497,891</u>
LIABILITIES				
Individual depositors liability	\$ -	\$ 5,260	\$ 5,260	\$ -
Due to individuals	4,810	80,916	79,788	5,938
Due to other funds	38,114	520,530	523,709	34,935
Due to Board of County Commissioners	7,681	79,338	80,559	6,460
Other current liabilities	427,176	739,541	716,160	450,557
Total liabilities	<u>\$ 477,782</u>	<u>\$ 1,425,585</u>	<u>\$ 1,405,476</u>	<u>\$ 497,891</u>

See notes to financial statements.

COMPLIANCE SECTION

**COLUMBIA COUNTY, FLORIDA
SHERIFF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2019**

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	(ACCRUED) / UNEARNED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	ACCRUED / (UNEARNED) 9/30/2019
FEDERAL AWARDS								
<i>U.S. Department of Justice</i>								
<i>Bureau of Justice Assistance/Office of Criminal Justice Grants</i>								
Bulletproof Vest Grant	16.607	FY2018	\$ 8,750	\$ -	\$ -	\$ 8,750	\$ 8,750	\$ -
Bulletproof Vest Grant	16.607	FY2019	5,235	-	-	541	541	-
Total U.S. Department of Justice			<u>13,985</u>	<u>-</u>	<u>-</u>	<u>9,291</u>	<u>9,291</u>	<u>-</u>
<i>U.S. Department of Homeland Security</i>								
<i>passed through State of Florida Division of Emergency Management</i>								
Homeland Security Grant Program - Crime Analyst Grant	97.067	18-DS-X1-03-22-01-199	58,000	34,106	-	9,593	9,593	-
Homeland Security Grant Program - Crime Analyst Grant	97.067	19-DS-01-03-22-23-194	58,000	-	-	33,341	33,341	-
Total U.S. Department of Homeland Security			<u>116,000</u>	<u>34,106</u>	<u>-</u>	<u>42,934</u>	<u>42,934</u>	<u>-</u>
Total Federal Awards			<u>\$ 129,985</u>	<u>\$ 34,106</u>	<u>\$ -</u>	<u>\$ 52,225</u>	<u>\$ 52,225</u>	<u>\$ -</u>

See notes to the Schedule of Expenditures of Federal Awards.

**COLUMBIA COUNTY, FLORIDA
SHERIFF**

Notes to Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended September 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the special purpose financial statements of the Columbia County, Florida Sheriff 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 *Uniform Guidance*.

1. Reporting Entity

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. 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. 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 Columbia County Sheriff 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.

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, 2019, 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 February 7, 2020.

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
February 7, 2020

**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, 2019, and have issued our report thereon dated February 7, 2020.

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 February 7, 2020, 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, 2019. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

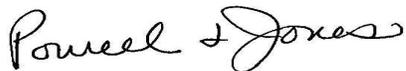
Financial Emergency Status - We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(5)(a) 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.

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

POWELL & JONES
Certified Public Accountants
February 7, 2020

INDEPENDENT ACCOUNTANT'S REPORT

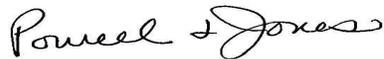
To The Sheriff
Columbia County, Florida

We have examined the Columbia County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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



POWELL & JONES
Certified Public Accountants
February 7, 2020

SUPERVISOR OF ELECTIONS

**COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

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INDEPENDENT AUDITOR'S REPORT

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, 2019, 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.

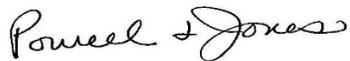
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes*, and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of 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, 2019, 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 October 29, 2019, 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 Election's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
October 29, 2019

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
GENERAL FUND
BALANCE SHEET
September 30, 2019**

ASSETS

Current Assets		
Cash	\$	64,362
Due from other governmental units		60
Total assets	\$	<u>64,422</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Current Liabilities		
Accounts payable	\$	225
Accrued liabilities		13,315
Unearned grants		37,303
Due to Board of County Commissioners		<u>13,579</u>
Total liabilities		64,422
FUND BALANCE		-
Total liabilities and fund balance	\$	<u>64,422</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental			
Federal grants			
Security grant	\$ -	\$ 31,200	\$ 31,200
Total Intergovernmental	<u>-</u>	<u>31,200</u>	<u>31,200</u>
Miscellaneous			
Other	-	9,083	9,083
Total miscellaneous	<u>-</u>	<u>9,083</u>	<u>9,083</u>
Total revenues	<u>-</u>	<u>40,283</u>	<u>40,283</u>
EXPENDITURES			
General government			
Other general government			
Supervisor of Elections			
Personnel services	461,104	623,585	(162,481)
Operating expenses	35,065	19,681	15,384
Total Supervisor of Elections	<u>496,169</u>	<u>643,266</u>	<u>(147,097)</u>
Elections			
Personnel services	141,500	22,875	118,625
Operating expenses	181,822	169,432	12,390
Capital outlay	-	10,622	(10,622)
Total elections	<u>323,322</u>	<u>202,929</u>	<u>120,393</u>
Total general government	<u>819,491</u>	<u>846,195</u>	<u>(26,704)</u>
Excess of revenues over (under) expenditures	<u>(819,491)</u>	<u>(805,912)</u>	<u>13,579</u>
OTHER FINANCING SOURCES			
Transfers In from Board of County Commissioners			
	819,491	819,491	-
Transfers out to Board of County Commissioners			
	-	(13,579)	(13,579)
Total other financing sources	<u>819,491</u>	<u>805,912</u>	<u>(13,579)</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

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 unearned revenue, if applicable, on its combined balance sheet. Unearned revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned 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 unearned 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, 2019, the book balance of the Supervisor of Elections' deposits was \$64,362. 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 \$36,378, 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, 2019, were as follows: Regular Employees 8.47%; Senior Management 25.41%; Elected Officials 48.82%, and employees electing the DROP Program 14.60%. 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, 2019, 2018 and 2017 were \$80,046, \$73,001, and \$63,098, respectively, equal to the required contributions for each year.

NOTE 3. OPERATING LEASE PAYABLE

The Supervisor of Elections has an operating lease for a postage meter with quarterly installments of \$541. Future minimum lease payments are as follows:

Year Ending September 30,	
<u>2020</u>	<u>\$ 2,164</u>
	<u><u>\$ 2,164</u></u>

Lease expense for the year was \$2,164.

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, 2019, 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 October 29, 2019.

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 Elections’ 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
October 29, 2019

**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, 2019, and have issued our report thereon dated October 29, 2019.

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 October 29, 2019. 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, 2019. The financial statements of the Supervisor of Elections are combined with other County agencies in this report.

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.

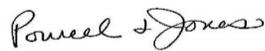
Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition

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, appearing to read "Powell & Jones".

POWELL & JONES
Certified Public Accountants
October 29, 2019

INDEPENDENT ACCOUNTANT'S REPORT

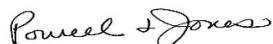
To the Honorable Supervisor of Elections
Columbia County, Florida

We have examined the Columbia County, Florida Supervisor of Elections' (the Supervisor) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Supervisor's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor's compliance with specified requirements.

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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



POWELL & JONES
Certified Public Accountants
October 29, 2019

TAX COLLECTOR

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
SPECIAL PURPOSE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2019
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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

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, 2019, 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.

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.

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

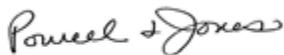
In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Tax Collector, as of September 30, 2019, and the respective changes in financial position and budgetary comparisons and, where applicable, 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 5, 2019, 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 the Tax Collector'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 13, 2020

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

**TAX COLLECTOR
COMBINED BALANCE SHEET - ALL FUND TYPES
September 30, 2019**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	
	<u>General Fund</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash	\$ 284,580	\$ 2,235,421	\$ 2,520,001
Accounts receivable	-	5,608	5,608
Due from other funds	48,501	-	48,501
Total assets	\$ 333,081	\$ 2,241,029	\$ 2,574,110
LIABILITIES			
Current liabilities			
Accounts payable	\$ 2,516	\$ 5,614	\$ 8,130
Due to other funds	-	48,501	48,501
Due to Board of County Commissioners	287,666	19,673	307,339
Due to other governmental units	16,372	1,881,955	1,898,327
Accrued payroll deductions and matching	26,527	-	26,527
Tax deeds payable	-	118,481	118,481
Other current liabilities	-	166,805	166,805
Total liabilities	\$ 333,081	\$ 2,241,029	\$ 2,574,110

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, 2019**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
County Officer commissions and fees				
Professional and occupational licenses	\$ 16,500	\$ 16,500	\$ 18,020	\$ 1,520
Motor vehicle fees	390,000	390,000	399,126	9,126
Drivers license fees	170,000	170,000	202,433	32,433
Concealed weapons fee	40,000	40,000	27,600	(12,400)
Other licenses and permits	4,400	4,400	3,816	(584)
State commissions	1,560	1,560	1,590	30
County commissions	775,000	775,000	780,162	5,162
Tax commissions				
Suwannee Water Management District				
District	2,000	2,000	17,598	15,598
Lake Shore Hospital Authority	47,000	47,000	42,883	(4,117)
Delinquent tax commissions	192,000	192,000	192,942	942
Special assessment commissions	217,000	217,000	294,471	77,471
Special assessment administrative fees	100,000	100,000	108,468	8,468
Total charges for services	1,955,460	1,955,460	2,089,109	133,649
Miscellaneous				
Interest earnings	-	-	1,049	1,049
Other miscellaneous	7,500	7,500	1,232	(6,268)
Total miscellaneous	7,500	7,500	2,281	(5,219)
Total revenues	1,962,960	1,962,960	2,091,390	128,430
EXPENDITURES				
General government				
Personnel services	1,617,573	1,617,573	1,529,385	88,188
Operating expenses	269,975	269,975	238,721	31,254
Capital outlay	-	-	35,618	(35,618)
Total expenditures	1,887,548	1,887,548	1,803,724	83,824
(Continued)				
Excess of revenues over (under) expenditures	75,412	75,412	287,666	212,254
Other financing uses				
Transfers to Board of County Commissioners	(75,412)	(75,412)	(287,666)	(212,254)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

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, 2019, the book balance of the Tax Collector's deposits was \$2,520,001. Of this balance, \$250,000 was covered by federal depository insurance, and \$2,265,701 was covered by pledged collateral and \$4,300 was held in cash. Chapter 280, *Florida Statutes*, defines the eligible collateral for qualified public depositories.

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

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

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation has been provided on the County's equipment on the straight-line basis over three to twelve years. Assets purchased by the Tax Collector are reported in the Board of County Commissioners' 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 \$125,161 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, 2019 were as follows: Regular Employees 8.47%; Senior Management 25.41%; Elected Officials 48.82% and Deferred Retirement Option Program (DROP) 14.60%. The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2019, 2018 and 2017 were \$145,707, \$145,013, and \$134,916, equal to the required contributions for each year.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2019, were:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 48,501	\$ -
Ad Valorem Tax Fund	-	48,501
	<u>\$ 48,501</u>	<u>\$ 48,501</u>

NOTE 4. OPERATING LEASES

The Tax Collector has an operating lease with Lanier Worldwide, Inc. for two copiers. The agreement is being paid in sixty monthly installments of \$192. The Tax Collector also has a lease with Mail Finance, Inc. for a mailer with quarterly payments of \$552. Future minimum lease payments are as follows:

<u>September 30,</u>	
2020	\$ 4,513
2021	4,513
2022	4,513
2023	4,513
2024	4,513
	<u>\$ 22,565</u>

Lease expense for the year was \$3,961.

COMBINING FUND STATEMENTS

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

AGENCY FUNDS

COMBINING BALANCE SHEET

September 30, 2019

	<u>Ad Valorem Tax Fund</u>	<u>Tag Agency Fund</u>	<u>Totals</u>
ASSETS			
Cash	\$ 2,059,492	\$ 175,929	\$ 2,235,421
Accounts receivable	-	5,608	5,608
Total assets	<u>\$ 2,059,492</u>	<u>\$ 181,537</u>	<u>\$ 2,241,029</u>
LIABILITIES			
Accounts payable	\$ 100	\$ 5,514	\$ 5,614
Due to other funds	48,501	-	48,501
Due to Board of County Commissioners	-	19,673	19,673
Due to other governmental units	1,736,534	145,421	1,881,955
Interest payable	6,553	-	6,553
Tax deeds payable	118,481	-	118,481
Other current liabilities	149,323	10,929	160,252
Total liabilities	<u>\$ 2,059,492</u>	<u>\$ 181,537</u>	<u>\$ 2,241,029</u>

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2019**

	Balance			Balance
	October 1, 2018	Additions	Deductions	September 30, 2019
TAG AGENCY FUND				
Assets				
Cash	\$ 160,010	\$ 7,610,825	\$ 7,594,906	\$ 175,929
Due from others	4,376	144,098	142,866	5,608
Total assets	\$ 164,386	\$ 7,754,923	\$ 7,737,772	\$ 181,537
Liabilities				
Accounts payable	\$ 239	\$ 33,194	\$ 27,919	\$ 5,514
Due to Board of County Commissioners	20,632	19,673	20,632	19,673
Due to other governmental units	127,202	7,666,874	7,648,655	145,421
Other current liabilities	16,313	170,581	175,965	10,929
Total liabilities	\$ 164,386	\$ 7,890,322	\$ 7,873,171	\$ 181,537
AD VALOREM TAX FUND				
Assets				
Cash	\$ 1,752,278	\$ 61,991,121	\$ 61,683,907	\$ 2,059,492
Total assets	\$ 1,752,278	\$ 61,991,121	\$ 61,683,907	\$ 2,059,492
Liabilities				
Accounts payable	\$ 75	\$ 1,093,711	\$ 1,093,686	\$ 100
Due to other funds	47,750	48,501	47,750	48,501
Due to other governmental units	1,548,590	58,277,465	58,089,521	1,736,534
Interest payable	3,746	6,553	3,746	6,553
Tax deeds payable	115,209	3,619,569	3,616,297	118,481
Escrow funds payable	24,770	48,998	73,768	-
Other current liabilities	12,138	835,872	698,687	149,323
Total liabilities	\$ 1,752,278	\$ 63,930,669	\$ 63,623,455	\$ 2,059,492

(Continued)

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended September 30, 2019**

	Balance			Balance
	October 1, 2018	Additions	Deductions	September 30, 2019
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ 1,912,288	\$ 69,601,946	\$ 69,278,813	\$ 2,235,421
Due from others	4,376	144,098	142,866	5,608
Total assets	\$ 1,916,664	\$ 69,746,044	\$ 69,421,679	\$ 2,241,029
Liabilities				
Accounts payable	\$ 314	\$ 1,126,905	\$ 1,121,605	\$ 5,614
Due to other funds	47,750	48,501	47,750	48,501
Due to Board of County Commissioners	20,632	19,673	20,632	19,673
Due to other governmental units	1,675,792	65,944,339	65,738,176	1,881,955
Interest payable	3,746	6,553	3,746	6,553
Tax deeds payable	115,209	3,619,569	3,616,297	118,481
Escrow funds payable	24,770	48,998	73,768	-
Other current liabilities	28,451	1,006,453	874,652	160,252
Total liabilities	\$ 1,916,664	\$ 71,820,991	\$ 71,496,626	\$ 2,241,029

See notes to financial statements.

COMPLIANCE SECTION

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

To the 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, 2019, 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 13, 2020.

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 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 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 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". The signature is contained within a rectangular box that is open on the right and bottom sides.

POWELL & JONES
Certified Public Accountants
April 13, 2020

**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, 2019, and have issued our report thereon dated April 13, 2020.

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 13, 2020. 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, 2019. The financial statements of the Tax Collector are combined with other County agencies in that report.

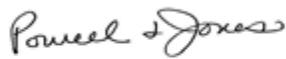
Financial Emergency Status - We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment Procedures - As required by the Rules of the Auditor General (Sections 10.554(1)(i)5.a 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". The signature is enclosed in a thin black rectangular border.

POWELL & JONES
Certified Public Accountants
April 13, 2020

INDEPENDENT ACCOUNTANT'S REPORT

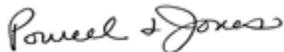
To The Tax Collector
Columbia County, Florida

We have examined the Columbia County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2019. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Tax Collector's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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



POWELL & JONES
Certified Public Accountants
April 13, 2020