COLUMBIA COUNTY,
FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

COLUMBIA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

	PAGE NO.
INTRODUCTORY SECTION	
List of Principal Officials	5
FINANCIAL SECTION	
BASIC FINANCIAL STATEMENTS	
Independent Auditor's Report	8
Management's Discussion and Analysis	11
Statement of Net Position	19
Statement of Activities	21
Governmental Funds - Balance Sheet	22
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances	23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Net Position - Proprietary Fund	25
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	27
Statement of Cash Flows - Proprietary Fund	28
Statement of Fiduciary Net Position - Agency Funds	30
Notes to Financial Statements	31
REQUIRED SUPPLEMENTARY INFORMATION	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	62
County Transportation Trust Fund	63
Municipal Services Benefit Unit Fund	64
Clerk of the Circuit Court Operating Fund	65
Sheriff Operating Fund	66
Economic Development Debt Service Fund	67
Connector Road Project Fund	68
Road Improvement Fund	69
Notes to the Required Supplementary Information	70

COLUMBIA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

	PAGE NO.
FUND COMBINING STATEMENTS	
Nonmajor Governmental Funds	
Combining Balance Sheet	73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	75
Combining Statement of Fiduciary Net Position	77
SINGLE AUDIT AND COMPLIANCE SECTION	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	79
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	81
Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control over Compliance Required by OMB Circular A-133	84
Schedule of Expenditures of Federal Awards and State Financial Assistance	86
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	88
Schedule of Findings	89
Management Letter	91
Independent Accountant' Report	94

INTRODUCTORY SECTION

COLUMBIA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2014

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

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

Powell & Jones
Certified Public Accountants

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

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Columbia County, Florida, as of and for the fiscal year ended September 30, 2014, 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, 2014, and the respective changes in financial position and cash flows, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Columbia County, Florida's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A - 133, *Audits of States, Local Governments, and Non - Profit Organizations,* and *Chapter 10.550 Rules of the State of Florida, Office of the Auditor General;* and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining fund financial statements, listed in the table of contents, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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 May 28, 2015 on our consideration of Columbia County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards,* in considering the Columbia County, Florida's internal control over financial reporting and compliance.

POWELL & JONES
Certified Public Accountants
May 28, 2015

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2014. 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, 2014.

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 $162,711,115 (net position). Unrestricted net position for governmental activities was $19,783,466 and for business-type activities was $86,741. Governmental Activities restricted net position is $17,125,815, and was $-0- for Business-type Activities.

Total net position decreased by $(4,948,074). Of that amount, $(3,451,695) is attributable to Governmental Activities and Business-type Activities net position decreased by $(1,496,379).

Governmental Funds revenues decreased by $(1,260,344) to $59,543,974. This decrease in revenue was due primarily to a decrease in grant revenue. Governmental Fund expenditures increased by $7,440,852 to $62,695,669. This increase in expenditures was primarily due to recreation, road improvement and other capital outlay.

Business-type activities revenues increased to $2,780,145, and business-type expenses also increased to $4,578,524. The increase in expenses was attributable to an increase in landfill closure costs.

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, 2014, the assets of the County exceed liabilities by $162,711,115.

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

Net Position

	Governmental	Business-type	Total Government 2014	Total Government 2013
Assets				
Current assets	$ 42,406,092	$ 5,081,796	$ 47,487,888	$ 56,589,259
Restricted assets	-	4,768,383	4,768,383	4,654,058
Noncurrent assets	126,409,665	12,053,315	138,462,980	135,058,638
Total assets	168,815,757	21,903,494	190,719,251	196,301,955
Liabilities				
Current liabilities (payable from current assets)	3,724,755	244,347	3,969,102	5,675,394
Current liabilities (payable from restricted assets)	-	200,401	200,401	119,647
Noncurrent liabilities	13,128,468	10,710,165	23,838,633	22,897,724
Total liabilities	16,853,223	11,154,913	28,008,136	28,692,765
Net Position				
Net position invested in capital assets, net of related debt	115,053,253	10,661,840	125,715,093	121,164,741
Net position - restricted	17,125,815	-	17,125,815	31,613,660
Net position - unrestricted	19,783,466	86,741	19,870,207	14,830,789
Total net position	$151,962,534	$ 10,748,581	$162,711,115	$167,609,190

77.27% 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 10.53% 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 (12.21%) may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. The decrease in Governmental Activities net position is due primarily to the decrease in grant funding in the fiscal year ended September 30, 2014. The decrease in Business-type Activities net position is due to and increase in landfill closure costs.

Changes in Net Position

	Governmental Activities	Business-type Activities	Total Government 2014	Total Government 2013
Revenues:				
Program revenues				
Charges for services	$15,697,718	$ 2,586,918	$18,284,636	$14,639,069
Operating grants/ contributions	2,757,882	90,909	2,848,791	5,616,245
Capital grants/contributions	1,501,723	-	1,501,723	3,936,155
General revenues				
Property taxes	17,433,137	-	17,433,137	17,326,161
Sales and use taxes	10,457,579	-	10,457,579	9,997,532
Federal and State shared revenues	10,479,745	-	10,479,745	11,037,573
Interest	149,980	63,939	213,919	53,239
Other	1,066,210	40,379	1,106,589	461,271
Total revenues	59,543,974	2,782,145	62,326,119	63,067,245
Expenses:				
General government	10,040,840	-	10,040,840	9,788,439
Public safety	22,886,682	-	22,886,682	19,918,883
Physical environment	4,515,587	4,578,524	9,094,111	6,886,172
Transportation	15,897,019	-	15,897,019	12,857,225
Economic environment	1,459,428	-	1,459,428	1,099,379
Human services	2,550,712	-	2,550,712	2,547,370
Culture/recreation	2,986,423	-	2,986,423	2,893,914
Court related	2,055,126	-	2,055,126	1,591,830
Interest on long-term debt	303,852	-	303,852	236,694
Total expenses	62,695,669	4,578,524	67,274,193	57,819,906
Transfers in (out)	(300,000)	300,000	-	-
Increase (decrease) in net position	$ (3,451,695)	$ (1,496,379)	$ (4,948,074)	$ 5,247,339

Property taxes provide 29.28% of the revenues for Governmental Activities, while sales taxes provide 17.6%. Most of the Governmental Activities resources are spent for Public Safety (36.5%), General Government (16%), Transportation (25%), and Physical Environment (7%).

FUND FINANCIAL INFORMATION

Governmental Funds

General Fund

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County Ordinances or other externally imposed requirements. As of September 30, 2014, total assets were $17,229,974 and total liabilities were $498,663. The ending fund balance was $16,731,311; $2,230,140 of which is restricted and an additional amount of $4,093,999 was committed or assigned for specified projects.

During the year ended September 30, 2014, total revenues, $30,799,365, exceeded total expenditures, $14,691,854, by $16,107,511. $17,210,210 was transferred to other funds for operational and capital related purposes and $407,811 was transferred in. The net decrease in the fund balance in the General Fund was therefore, $(694,888).
During the fiscal year, the County amended the General Fund budget by $9,813,221, due to recreation capital outlay, the Suwannee River Water Management District Mitigation Project, and road projects transfers being approved during the course of the year in excess of the original approved budget.

Other Governmental Funds

The *County Transportation Trust Fund* accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. During the year, expenditures exceeded revenues, debt proceeds, and transfers by $(247,766), resulting in an ending fund balance of $4,172,818.

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, 2014, expenditures and transfers exceeded revenues by $(2,514,699). This was primarily due to a transfer of $2,000,000 to the Road Improvement Fund.

The *Sheriff General Fund* is the general operating fund of the Sheriff, a Constitutional Officer. The primary source of funds are transfers from the Board of County Commission General Fund. Expenditures for the year were $12,789,837, 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 $2,256,996, and this fund also has no ending fund balance.

The *Economic Development Fund* accounts for expenditures associated with debt service and other outlays for economic development projects authorized by the Board of County Commissioners. During the year, revenues exceeded expenditures and transfers out by $84,829, leaving an ending fund balance of $2,006,597.

The *Connector Road Project Fund* accounts for the ongoing project to provide bypass roads to relieve traffic congestion throughout the county. Financing is provided by a previously dedicated local option gas tax and state construction grants. During the year, expenditures and transfers out exceeded revenues and transfers in by $(5,124,759), leaving an ending fund balance of $(67,573.)

The *Road Improvement Fund* accounts for the ongoing resurfacing and improvements to various roads within the County. Financing is provided by State construction grants and various transfers from other Board funds. During the year, revenues and transfers in exceeded expenditures $1,590,428, leaving an ending fund balance of $5,020,667.

General Fund Budget

Actual revenues for the General Fund exceeded budgeted revenue by $2,228,170. This was primarily due to an increase in the Small County Surtax and charges for services. Budgeted expenditures were greater than actual by $3,120,354. This was primarily due to capital projects which were not completed in the 2014 fiscal year.

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, 2014, were $18,927,838, total liabilities were $9,742,755 and net position was $9,185,083. Total income, including interest, grants, and a net gain on disposition of fixed assets was $2,733,120 and total expenses were $4,145,869, leaving a change in net position of $(1,412,749).

The Utilities Fund, accounts for the financial activities associated with the County operated water and sewer services. Total assets at September 30, 2014 were $4,429,525, total liabilities were $2,866,027, and net position was $1,563,498. Total income and transfers in were $349,025. Total expenses, including interest expense, were $432,655, leaving a net change in net position of $(83,630).

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2014, is $138,394,630 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. General fixed assets are recorded at cost. For assets purchased before 2003, assets were recorded at cost or fair market value. Depreciation was not recognized for governmental activities.

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

The following schedule provides a summary of the County's capital assets balances for the year ended September 30, 2014, compared to the prior year:

Capital Assets

	Governmental Activities	Business-type Activities	Total Government	
			2014	2013
Land and improvements	$ 10,538,921	$ 1,942,202	$ 12,481,123	$ 9,947,717
Construction in progress	15,407,449	2,557,128	17,964,577	12,359,602
Infrastructure	147,968,162	-	147,968,162	146,377,341
Buildings and improvements	55,291,909	13,841,536	69,133,445	67,910,725
Equipment	27,385,657	3,269,959	30,655,616	30,367,588
	256,592,098	21,610,825	278,202,923	266,962,973
Less accumulated depreciation	(130,250,783)	(9,557,510)	(139,808,293)	(131,979,985)
Total	$126,341,315	$ 12,053,315	$138,394,630	$134,982,988

DEBT MANAGEMENT

Governmental Activities Debt

During the year, total long-term debt decreased by $923,601, leaving the following balances:

Revenue bonds	$	9,377,585
Capital leases		1,910,477
Compensated absences		2,165,183
	$	13,453,245

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 $1,391,475 at September 30, 2014.

The County also had $35,752 in long term compensated absences and an estimated landfill closure and post-closure liability $9,519,091 at year end.

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The current unemployment rate for the County, was 6.1%.
- The estimated population for the County in 2014 was 67,531, and is estimated to be approximately the same by the end of 2015.
- The ad valorem tax millage rate for the County was 8.015 mills in 2014, 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, 2014

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current Assets			
Cash	$ 14,747,707	$ 5,268,367	$ 20,016,074
Accounts receivable	113,552	289,338	402,890
Internal balances	1,453,869	(1,453,869)	-
Due from agency funds	372,205	-	372,205
Due from other governmental units	1,766,580	11,981	1,778,561
Inventories	75,746	-	75,746
Prepaid expenses	37,383	-	37,383
Investments	23,834,230	965,979	24,800,209
Other current assets	4,820	-	4,820
Total current assets	42,406,092	5,081,796	47,487,888
Noncurrent Assets			
Restricted assets			
Cash	-	98,344	98,344
Investments	-	4,670,039	4,670,039
Total restricted assets	-	4,768,383	4,768,383
Note receivable	68,350	-	68,350
Capital assets, net	126,341,315	12,053,315	138,394,630
Total noncurrent assets	126,409,665	16,821,698	143,231,363
Total assets	$ 168,815,757	$ 21,903,494	$ 190,719,251
LIABILITIES			
Current Liabilities			
Accounts payable	$ 1,999,296	$ 173,924	$ 2,173,220
Accrued payroll liabilities	658,268	-	658,268
Due to agency funds	2,240	-	2,240
Due to other governmental units	24,045	-	24,045
Accrued compensated absences	324,777	35,752	360,529
Interest payable	34,642	6,780	41,422
Deposits	-	17,491	17,491
Deferred revenue	668,789	-	668,789
Other current liabilities	12,698	10,400	23,098
Total current liabilities	3,724,755	244,347	3,969,102
Current Liabilities Payable from Restricted Assets			
Landfill postclosure costs	-	200,401	200,401
	-	200,401	200,401
Noncurrent Liabilities			
Due within one year:			
Notes and loans payable	-	101,777	101,777
Capital leases	147,865	-	147,865
Bonds payable	1,359,241	-	1,359,241
Due in more than one year:			
Notes and loans payable	-	1,289,698	1,289,698
Capital leases	1,762,612	-	1,762,612
Bonds payable	8,018,344	-	8,018,344
Accrued compensated absences	1,840,406	-	1,840,406
Estimated landfill closure liability	-	9,318,690	9,318,690
Total noncurrent liabilities	13,128,468	10,710,165	23,838,633
Total liabilities	16,853,223	11,154,913	28,008,136

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET POSITION

September 30, 2014

	Governmental Activities	Business - type Activities	Total
NET POSITION			
Invested in capital assets, net of related debt	$ 115,053,253	$ 10,661,840	$ 125,715,093
Restricted	17,125,815	-	17,125,815
Unrestricted	19,783,466	86,741	19,870,207
Total net position	$ 151,962,534	$ 10,748,581	$ 162,711,115

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2014

		Program Services			Net (Expenses) Revenues and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental Activities							
General Government	$ 10,040,840	$ 3,272,588	$ 26,614	$ -	$ (6,741,638)	$ -	$ (6,741,638)
Public Safety	22,886,682	6,197,664	423,662	21,791	(16,243,565)	-	(16,243,565)
Physical Environment	4,515,587	3,641,645	-	-	(873,942)	-	(873,942)
Transportation	15,897,019	28,730	-	1,479,932	(14,388,357)	-	(14,388,357)
Economic Environment	1,459,428	-	1,669,852	-	210,424	-	210,424
Human Services	2,550,712	1,279	125,118	-	(2,424,315)	-	(2,424,315)
Culture/recreation	2,986,423	199,033	392,404	-	(2,394,986)	-	(2,394,986)
Court-related	2,055,126	2,356,779	120,232	-	421,885	-	421,885
Interest on long-term debt	303,852	-	-	-	(303,852)	-	(303,852)
Total governmental activities	62,695,669	15,697,718	2,757,882	1,501,723	(42,738,346)	-	(42,738,346)
Business - type activities							
Physical Environment							
Landfill and utilities	4,578,524	2,586,918	90,909	-	-	(1,900,697)	(1,900,697)
Total government	67,274,193	18,284,636	2,848,791	1,501,723	(42,738,346)	(1,900,697)	(44,639,043)
		General revenues					
		Ad valorem taxes			17,433,137	-	17,433,137
		Sales and use taxes			10,457,579	-	10,457,579
		Franchise taxes			137,608		137,608
		Federal payments in lieu of taxes			348,377	-	348,377
		Federal and state shared revenue			10,479,745	-	10,479,745
		Interest			149,980	63,939	213,919
		Gain (loss) on disposition of fixed assets			46,566	40,379	86,945
		Rents and royalties			3,346	-	3,346
		Miscellaneous			530,313	-	530,313
		Transfers in (out)			(300,000)	300,000	-
		Total general revenue			39,286,651	404,318	39,690,969
		Change in net position			(3,451,695)	(1,496,379)	(4,948,074)
		Net position beginning of year			155,364,229	12,244,960	167,609,189
		Prior period adjustment			50,000	-	50,000
		Net position end of year			$ 151,962,534	$ 10,748,581	$ 162,711,115

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2014

		Special Revenue Funds					Capital Projects Funds			
	General Fund	County Transpor-tation Trust	Municipal Services	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project	Road Improvement	Other Governmental Funds	Total Governmental Funds
ASSETS										
Cash	$ 1,601,129	$ 1,733,810	$ 1,754,792	$ 13,816	$ 831,405	$ 373,379	$ 27,838	$ 2,984,637	$ 5,426,901	$ 14,747,707
Accounts receivable	104,874	1,623	-	302	4,930	-	-	-	1,823	113,552
Notes receivable	-	-	-	-	-	68,350	-	-	-	68,350
Due from other funds	1,676,014	-	501,495	154,296	-	-	-	-	257,737	2,589,542
Due from other governmental units	991,775	497,049	35,018	38,819	19,237	12,820	-	51,619	120,243	1,766,580
Inventories	-	75,746	-	-	-	-	-	-	-	75,746
Prepaid expenses	-	-	-	-	-	-	-	-	37,383	37,383
Investments	12,853,362	2,201,941	4,405,467	-	-	1,573,725	-	2,748,674	51,061	23,834,230
Other current assets	2,820	-	-	-	-	2,000	-	-	-	4,820
Total assets	$ 17,229,974	$ 4,510,169	$ 6,696,772	$ 207,233	$ 855,572	$ 2,030,274	$ 27,838	$ 5,784,930	$ 5,895,148	$ 43,237,910
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	$ 452,763	$ 337,351	$ 109,452	$ 3,529	$ 110,547	$ 23,677	$ 95,411	$ 764,263	$ 102,303	$ 1,999,296
Due to other funds	13,927	-	-	74,789	140,249	-	-	-	536,743	765,708
Due to other governmental units	4,020	-	-	-	-	-	-	-	20,025	24,045
Accrued payroll liabilities	27,953	-	1,853	-	594,913	-	-	-	33,549	658,268
Revenues collected in advance	-	-	13,780	128,915	-	-	-	-	526,094	668,789
Other current liabilities	-	-	335	-	9,863	-	-	-	2,500	12,698
Total liabilities	498,663	337,351	125,420	207,233	855,572	23,677	95,411	764,263	1,221,214	4,128,804
Fund balances										
Nonspendable:										
Inventories	-	75,746	-	-	-	-	-	-	-	75,746
Note receivable	-	-	-	-	-	68,350	-	-	-	68,350
Other	37,383	-	-	-	-	2,000	-	-	-	39,383
Restricted	2,230,140	4,097,072	6,571,352	-	-	-	-	-	4,227,231	17,125,795
Committed	2,658,710	-	-	-	-	-	-	-	52,684	2,711,394
Assigned	1,435,289	-	-	-	-	1,936,247	-	5,020,667	554,597	8,946,800
Unassigned	10,369,789	-	-	-	-	-	(67,573)	-	(160,578)	10,141,638
Total fund balances	16,731,311	4,172,818	6,571,352	-	-	2,006,597	(67,573)	5,020,667	4,673,934	39,109,106
Total liabilities and fund balances	$ 17,229,974	$ 4,510,169	$ 6,696,772	$ 207,233	$ 855,572	$ 2,030,274	$ 27,838	$ 5,784,930	$ 5,895,148	

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:	126,341,315
Long-term debt transactions are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(9,377,585)
Capital leases	(1,910,477)
Accrued compensated absences	(2,165,183)
Interest payable	(34,642)
Net position of governmental activities	$ 151,962,534

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, 2014

		Special Revenue Funds					Capital Projects Funds			
	General Fund	County Transportation Trust	Municipal Services	Clerk of Courts Operating	Sheriff Operating	Economic Development	Connector Road Project	Road Improvement	Other Governmental Funds	Total Governmental Funds
REVENUES										
Taxes	$ 22,050,670	$ 3,543,375	$ 585,828	$ -	$ -	$ -	$ -	$ -	$ 1,949,877	$ 28,129,750
Licenses and permits, special assessments	34,978	-	8,871,621	-	-	-	-	-	32,847	8,939,446
Intergovernmental	5,802,858	4,558,529	368,946	122,659	54,782	1,153,000	-	1,479,933	1,295,003	14,835,710
Charges for services	2,537,941	8,935	15,075	1,214,065	136,630	-	-	-	2,042,489	5,955,135
Fines and forfeitures	142,630	-	-	513,194	-	-	-	-	273,067	928,891
Interest	68,700	12,169	45,494	-	-	1,594	2,355	7,364	12,304	149,980
Miscellaneous	161,588	155,170	95,905	-	95,281	3	-	9,641	40,908	558,496
Total revenues	30,799,365	8,278,178	9,982,869	1,849,918	286,693	1,154,597	2,355	1,496,938	5,646,495	59,497,408
EXPENDITURES										
Current expenditures										
General government	4,689,144	-	337,761	739,548	-	-	-	-	3,503,629	9,270,082
Public safety	3,312,242	-	5,155,192	-	12,427,881	-	-	-	128,636	21,023,951
Physical environment	902,669	5,780	3,604,354	-	-	-	-	-	-	4,512,803
Transportation	-	7,084,356	-	-	-	-	59,659	1,862,249	-	9,006,264
Economic environment	181,639	-	1,896	-	-	279,979	-	-	989,308	1,452,822
Human services	2,510,272	-	-	-	-	-	-	-	-	2,510,272
Culture/recreation	2,002,821	-	-	-	-	-	-	-	757,731	2,760,552
Court-related	-	-	-	1,517,448	-	-	-	-	537,678	2,055,126
Capital outlay										
General government	23,880	-	-	-	-	-	-	-	2,948	26,828
Public safety	77,690	-	1,518,839	-	361,956	-	-	-	51,937	2,010,422
Physical environment	234,673	-	-	-	-	-	-	-	-	234,673
Transportation	-	1,425,547	-	-	-	-	6,674,955	2,227,208	-	10,327,710
Economic environment	-	-	-	-	-	-	-	-	316,727	316,727
Human services	31,600	-	-	-	-	-	-	-	-	31,600
Culture/recreation	725,224	-	-	-	-	-	-	-	-	725,224
Court-related	-	-	-	-	-	-	-	-	4,892	4,892
Debt services										
Principal	-	540,091	243,323	-	-	424,824	-	-	669,112	1,877,350
Interest	-	59,264	117,302	-	-	64,974	-	-	57,404	298,944
Total expenditures	14,691,854	9,115,038	10,978,667	2,256,996	12,789,837	769,777	6,734,614	4,089,457	7,020,002	68,446,242
Excess of revenues over (under) expenditures	16,107,511	(836,860)	(995,798)	(407,078)	(12,503,144)	384,820	(6,732,259)	(2,592,519)	(1,373,507)	(8,948,834)
Other financing sources (uses)										
Sale of fixed assets	-	540,645	481,099	-	-	-	-	-	-	1,021,744
Debt proceeds	-	838,156	-	-	-	-	-	-	-	838,156
Interfund transfers in	407,811	210,293	-	481,867	12,503,144	-	2,607,500	6,080,447	1,992,415	24,283,477
Interfund transfers out	(17,210,210)	(1,000,000)	(2,000,000)	(74,789)	-	(300,000)	(1,000,000)	(1,897,500)	(1,100,978)	(24,583,477)
Total other financing sources (uses)	(16,802,399)	589,094	(1,518,901)	407,078	12,503,144	(300,000)	1,607,500	4,182,947	891,437	1,559,900
Net change in fund balances	(694,888)	(247,766)	(2,514,699)	-	-	84,820	(5,124,759)	1,590,428	(482,070)	(7,388,934)
Fund balances beginning of year	17,426,199	4,370,584	9,086,051	-	-	1,921,777	5,057,186	3,430,239	5,156,004	46,448,040
Prior period adjustment	-	50,000	-	-	-	-	-	-	-	50,000
Fund balances end of year	$ 16,731,311	$ 4,172,818	$ 6,571,352	$ -	$ -	$ 2,006,597	$ (67,573)	$ 5,020,667	$ 4,673,934	$ 39,109,106

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, 2014

Net change in fund balances - total governmental funds		$ (7,388,934)
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	$ 13,678,076	
Less current year depreciation	(9,684,352)	
		3,993,724
Governmental funds do not report gain or loss on trade-in or disposition of capital assets. However, the statement of activities reports these gains or losses.		
Loss on disposition of capital assets		(975,178)
Debt and capital lease proceeds provide current financial resources to governmental funds, but debt and capital leases increase long-term liabilities in the statement of net position.		
Loan proceeds		(838,156)
Repayments of notes, capital leases and bonds are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Capital lease principal payments	540,091	
Bond principal payments	1,337,259	
		1,877,350
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	(115,593)	
Net change in accrued interest expense	(4,908)	
		(120,501)
		$ (3,451,695)

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2014

	Landfill Enterprise	Utilities	Total
ASSETS			
Current Assets			
Cash	$ 5,064,125	$ 204,242	$ 5,268,367
Accounts receivable net of allowance for uncollectible accounts	289,103	235	289,338
Due from other governmental units	11,981	-	11,981
Investments	965,979	-	965,979
Total current assets	6,331,188	204,477	6,535,665
Noncurrent Assets			
Restricted assets			
Cash	98,344	-	98,344
Investments	4,670,039	-	4,670,039
Total restricted assets	4,768,383	-	4,768,383
Fixed assets			
Land	887,973	1,054,229	1,942,202
Buildings	493,668	131,200	624,868
Improvements other than buildings	9,547,360	3,669,308	13,216,668
Equipment	3,179,197	90,762	3,269,959
Construction in progress	2,557,128	-	2,557,128
Allowance for depreciation	(8,837,059)	(720,451)	(9,557,510)
Total fixed assets	7,828,267	4,225,048	12,053,315
Total noncurrent assets	12,596,650	4,225,048	16,821,698
Total assets	$ 18,927,838	$ 4,429,525	$ 23,357,363
LIABILITIES			
Current Liabilities			
Accounts payable	$ 172,291	$ 1,633	$ 173,924
Due to other funds	-	1,453,869	1,453,869
Interest payable	-	6,780	6,780
Accrued compensated absences	35,752	-	35,752
Deposits	15,621	1,870	17,491
Note payable, short-term portion	-	101,777	101,777
Other current liabilities	-	10,400	10,400
Total current liabilities	223,664	1,576,329	1,799,993
Current Liabilities Payable from Restricted Assets			
Landfill postclosure costs	200,401	-	200,401
Total current liabilities payable from restricted assets	200,401	-	200,401
Noncurrent Liabilities			
Loan payable Department of Environmental Protection	-	1,289,698	1,289,698
Estimated landfill closure liability	9,318,690	-	9,318,690
Total noncurrent liabilities	9,318,690	1,289,698	10,608,388
Total liabilities	9,742,755	2,866,027	12,608,782

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2014

	Landfill Enterprise	Utilities	Total
NET POSITION			
Invested in capital assets, net of related debt	$ 7,828,267	$ 2,941,672	$ 10,769,939
Unrestricted	1,356,816	(1,378,174)	(21,358)
Total net position	$ 9,185,083	$ 1,563,498	$ 10,748,581

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, 2014

	Landfill Enterprise	Utilities	Totals
OPERATING REVENUES			
Licenses and permits	$ -	$ 11,638	$ 11,638
Charges for services			
Physical environment			
Garbage/solid waste revenue	2,536,994	-	2,536,994
Water and wastewater revenue	1,417	36,869	38,286
Total operating revenues	2,538,411	48,507	2,586,918
OPERATING EXPENSES			
Landfill and water/wastewater utilities			
Personnel services	648,395	-	648,395
Operating expenses	3,105,516	175,595	3,281,111
Depreciation	391,958	221,600	613,558
Total landfill and water/wastewater utilities	4,145,869	397,195	4,543,064
Total operating expenses	4,145,869	397,195	4,543,064
Operating income (loss)	(1,607,458)	(348,688)	(1,956,146)
NONOPERATING REVENUES (EXPENSES)			
State grants			
Physical environment			
State grants	90,909	-	90,909
Gain (loss) on disposal of capital assets	40,379	-	40,379
Interest earnings	63,421	518	63,939
Debt service costs			
Interest	-	(35,460)	(35,460)
Total nonoperating revenues (expenses)	194,709	(34,942)	159,767
Change in net position before operating transfers	(1,412,749)	(383,630)	(1,796,379)
Operating transfers in	-	300,000	300,000
Change in net position after operating transfers	(1,412,749)	(83,630)	(1,496,379)
Net position at beginning of year	10,597,832	1,647,128	12,244,960
Net position at end of year	$ 9,185,083	$ 1,563,498	$ 10,748,581

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Fiscal Year Ended September 30, 2014

	Landfill Enterprise	Utilities	Total
Cash Flows From Operating Activities			
Cash flows received from customers	$ 2,537,587	$ 50,079	$ 2,587,666
Cash paid to employees	(476,604)	-	(476,604)
Cash paid for employee benefits	(168,345)	-	(168,345)
Cash paid to vendors	(732,723)	(174,391)	(907,114)
Net cash provided (used) by operating activities	1,159,915	(124,312)	1,035,603
Cash Flows From Noncapital Financing Activities			
State grants received	78,928	-	78,928
Transfers from other funds	-	300,000	300,000
Net cash provided by noncapital financing activities	78,928	300,000	378,928
Cash Flows From Capital and Related Financing Activities			
Payments to acquire or construct capital assets	(962,020)	(13,986)	(976,006)
Principal paid on capital debt	-	(99,515)	(99,515)
Interest paid on capital debt	-	(35,460)	(35,460)
Net cash used for capital and related financing activities	(962,020)	(148,961)	(1,110,981)
Cash Flows From Investing Activities			
Interest received	63,421	518	63,939
Increase in investments	(118,588)	-	(118,588)
Net cash provided (used) by investing activities	(55,167)	518	(54,649)
Net increase (decrease) in cash	221,656	26,727	248,383
Cash at beginning of year	4,940,813	177,515	5,118,328
Cash at end of year	$ 5,162,469	$ 204,242	$ 5,366,711

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Fiscal Year Ended September 30, 2014

	Landfill Enterprise	Utilities	Total
Reconciliation of Operating Income (Loss) to Cash Provided (Used) by Operating Activities			
Operating income (loss)	$ (1,607,458)	$ (348,688)	$ (1,956,146)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	391,958	221,600	613,558
Increase in landfill closure liability	2,062,118	-	2,062,118
(Increase) decrease in assets:			
Accounts receivable	1,531	1,472	3,003
Due from other funds	148,534	-	148,534
Increase (decrease) in liabilities:			
Accounts payable	162,141	1,204	163,345
Deposits	(2,355)	100	(2,255)
Accrued compensated absences	3,446	-	3,446
Other current liabilities	-	-	-
Total adjustments	2,767,373	224,376	2,991,749
Net cash provided (used) by operating activities	$ 1,159,915	$ (124,312)	$ 1,035,603

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS
September 30, 2014

ASSETS		
Cash	$	3,879,413
Accounts receivable		483,590
Due from other funds		2,240
Total assets	$	4,365,243
LIABILITIES		
Accounts payable	$	17,794
Cash bond liability		63,713
Court fees payable		154,118
Deposits held in escrow		132,688
Due to other funds		372,205
Due to other governmental units		2,376,448
Interest payable		2,998
Tax deeds payable		243,497
Other current liabilities		1,001,782
Total liabilities		4,365,243
NET POSITION	$	-

See notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the Board) and its component units. However, some component units, because of the closeness of their relationships with the Board, should be blended as though they are part of the Board. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the Board), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing body, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the Board's special purpose financial statements. Management determined that the Columbia County Industrial Development Authority was the only organization that should be included in the County's financial statements as a component unit.

Blended Component Unit

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

B. Measurement Focus and Basis of Accounting

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

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

1. Government-wide Financial Statements

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

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

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

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

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

2. Fund Financial Statements

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

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

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

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

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

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

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.
Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Funds

The County's Landfill Enterprise Fund 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.

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

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

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

2. 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, 2014, this allowance was $16,066. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2014.

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, us 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. Deferred Revenues

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

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, 2014.

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

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

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

"Total fund balances" of the County's governmental funds, $39,109,106 , differs from "net position" of governmental activities, $151,962,534, 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	$ 256,592,098
Accumulated depreciation	(130,250,783)
Total	$ 126,341,315

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, 2014, were:

Revenue notes/Bonds payable	$ 9,377,585
Capital leases payable	1,910,477
Compensated absences	2,165,183
Total	$ 13,453,245

Accrued interest

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

Bonds payable	$ 14,791
Capital leases	19,851
Total	$ 34,642

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of $763,468 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	Reclassifications and Eliminations	Statement of Net Position
ASSETS					
Cash and cash equivalents	$ 14,747,707	$ -	$ -	$ -	$ 14,747,707
Accounts receivable - net	113,552	-	-	-	113,552
Due from other funds	2,589,542	-	-	(763,468)	1,826,074
Due from other governmental units	1,766,580	-	-	-	1,766,580
Note receivable	68,350	-	-	-	68,350
Investments	23,834,230	-	-	-	23,834,230
Inventories	75,746	-	-	-	75,746
Prepaid expense	37,383	-	-	-	37,383
Other current assets	4,820	-	-	-	4,820
Capital assets - net	-	126,341,315	-	-	126,341,315
Total assets	$ 43,237,910	$ 126,341,315	$ -	$ (763,468)	$ 168,815,757
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 1,999,296	$ -	$ -	$ -	$ 1,999,296
Accrued interest payable	-	-	34,642	-	34,642
Accrued payroll liabilities	658,268	-	-	-	658,268
Due to other funds	765,708	-	-	(763,468)	2,240
Due to other governmental units	24,045	-	-	-	24,045
Deferred revenues	668,789	-	-	-	668,789
Other current liabilities	12,698	-	-	-	12,698
Accrued compensated absences	-	-	2,165,183	-	2,165,183
Capital leases payable	-	-	1,910,477	-	1,910,477
Revenue bonds payable	-	-	9,377,585	-	9,377,585
Total liabilities	4,128,804	-	13,487,887	(763,468)	16,853,223
Fund balances/net position	39,109,106	126,341,315	(13,487,887)	-	151,962,534
Total liabilities and fund balance/net position	$ 43,237,910	$ 126,341,315	$ -	$ (763,468)	$ 168,815,757

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 ($7,388,934) differs from the "change in net positon" for governmental activities ($3,451,695) 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.

Loss on dispositions	$ (975,178)
Capital outlay	13,678,076
Depreciation expense	(9,684,352)
Difference	$ 3,018,546

Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities. Debt proceeds are other financing sources in the governmental statements, but increase liabilities in the statement of net position and do not increase result in a financing source.

Debt reduction	$ 1,877,350
Debt proceeds	(838,156)
	$ 1,039,194

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	$ (115,593)
Net change in accrued interest	(4,908)
	$ (120,501)

Reclassification and Eliminations

Transfers in and transfers out in the amount of $24,283,477 between governmental activities should be eliminated.

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

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

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Compensated Absences	Accrued Interest	Reclassifications and Eliminations	Statement of Activities
REVENUES							
Taxes	$ 28,129,750	$ -	$ -	$ -	$ -	$ -	$ 28,129,750
Licenses and permits	8,939,446	-	-	-	-	-	8,939,446
Intergovernmental	14,835,710	-	-	-	-	-	14,835,710
Charges for services	5,955,135	-	-	-	-	-	5,955,135
Fines and forfeitures	928,891	-	-	-	-	-	928,891
Interest	149,980	-	-	-	-	-	149,980
Miscellaneous	558,496	-	-	-	-	-	558,496
Total revenues	59,497,408	-	-	-	-	-	59,497,408
EXPENDITURES							
Current Expenditures							
General government	9,270,082	684,541	-	86,217	-	-	10,040,840
Public safety	21,023,951	1,762,713	-	100,018	-	-	22,886,682
Physical environment	4,512,803	75,176	-	(72,392)	-	-	4,515,587
Transportation	9,006,264	6,869,543	-	21,212	-	-	15,897,019
Economic environment	1,452,822	32,141	-	(25,535)	-	-	1,459,428
Human services	2,510,272	40,440	-	-	-	-	2,550,712
Culture/recreation	2,760,552	219,798	-	6,073	-	-	2,986,423
Court related	2,055,126	-	-	-	-	-	2,055,126
Capital outlay							
General government	26,828	(26,828)	-	-	-	-	-
Public safety	2,010,422	(2,010,422)	-	-	-	-	-
Physical environment	234,673	(234,673)	-	-	-	-	-
Transportation	10,327,710	(10,327,710)	-	-	-	-	-
Economic environment	316,727	(316,727)	-	-	-	-	-
Human services	31,600	(31,600)	-	-	-	-	-
Culture/recreation	725,224	(725,224)	-	-	-	-	-
Court related	4,892	(4,892)	-	-	-	-	-
Debt Service							
Principal	1,877,350	-	(1,877,350)	-	-	-	-
Interest	298,944	-	-	-	4,908	-	303,852
Total expenditures	68,446,242	(3,993,724)	(1,877,350)	115,593	4,908	-	62,695,669
Excess of revenues over (under) expenditures	(8,948,834)	3,993,724	1,877,350	(115,593)	(4,908)	-	(3,198,261)
OTHER FINANCING SOURCES (USES)							
Debt proceeds	838,156	-	(838,156)	-	-	-	-
Loss on disposition of fixed assets	1,021,744	(975,178)	-	-	-	-	46,566
Transfers in	24,283,477	-	-	-	-	(24,283,477)	-
Transfers out	(24,583,477)	-	-	-	-	24,283,477	(300,000)
Total other financing sources (uses)	1,559,900	(975,178)	(838,156)	-	-	-	(253,434)
Net change in fund balances	(7,388,934)	3,018,546	1,039,194	(115,593)	(4,908)	-	(3,451,695)
Fund balances at beginning of year	46,448,040	123,322,769	(12,327,256)	(2,049,590)	(29,734)	-	155,364,229
Prior period adjustment	50,000	-	-	-	-	-	50,000
Fund balances at end of year	$ 39,109,106	$ 126,341,315	$ (11,288,062)	$ (2,165,183)	$ (34,642)	$ -	$ 151,962,534

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, 2014, 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, 2014.

	Appropriations	Expenses	Variance Positive (Negative)
Enterprise funds			
Landfill enterprise	$ 6,669,166	$ 4,145,869	$ 2,523,297
Utilities	484,812	432,655	52,157
	$ 7,153,978	$ 4,578,524	$ 2,575,454

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, 2014, the carrying amount of the County's deposits was $23,993,831. 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, 2014.

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

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

30, 2014, are similar to money market funds in which shares are reported at fair value, which is amortized cost.

The Board's investments in the Fund B, Surplus Funds Trust Fund, are accounted for as a fluctuating net asset value pool, with a fair value factor of 1.84438408 at September 30, 2014. The Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the State Board of Administration, are effected by transferring eligible cash or securities to the Local Government Surplus Funds Trust Fund, consistent with the pro rata allocation of Pool Shareholders of record at the creation of Fund B. One hundred percent of such distributions from Fund B are available as a liquid balance within the Local Government Surplus Funds Trust Fund.

The Florida Local Government Investment Trust Fund (Trust) is a professionally managed fund available only to public entities in Florida. The investment policy of the trust restricts investments to direct obligations of or securities fully guaranteed by the United States; obligations of certain federal agencies, including collateralized mortgage obligations; repurchase agreements; corporate bonds; and commercial paper. As of September 30, 2014, the Trust had investments, at fair value, of approximately $714.6 million. Of the total investments in the Trust, 15.9% was invested in asset backed securities. 52.2% was invested in Federal Treasury and Agency securities, 26.7% was invested in Corporate securities and 35% was invested in government related securities. The Florida Trust Day to Day Fund (the fund) is a money market fund of the Florida Local Government Investment Trust. As of September 30, 2014, the fund had investments of $572.8 million of which 25.1% were in repurchase agreements and 12.5% were in government related securities. 31.15% were in corporate securities.

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

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

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

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

Concentrations of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The implementation of GASB Statement No. 40 requires the disclosure of investments in any one issuer that represent 5% or more of total investments.

As of September 30, 2014, the County had investments with the following issuers in the percentages of total investments shown below:

Schedule of Investments at September 30, 2014

Investment	Maturities	Fair Value	Percent	Category
State Board of Administration Local Government				
Local Government Surplus Trust Fund Florida PRIME	39 Day Average	$ 36,403	0.12%	-
Florida Local Government Investment Pool	1.53 Year Average	14,716,134	49.94%	-
Florida Local Government Day to Day Fund	57 Day Average	3,828,608	12.99%	
Certificates of Deposit, Money Market	Daily - 72 months	10,889,104	36.95%	1
Total Investments		$ 29,470,249	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 2013-2014 fiscal year were levied in October 2013. 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, 2014, was as follows:

	Beginning Balance	Donations	Additions	Reclassifications/ Adjustments	Deletions	Balance
Governmental activities:						
Capital assets:						
Land	$ 6,406,514	$ -	$ 2,533,405	$ -	$ -	$ 8,939,919
Land interests	1,599,002	-	-	-	-	1,599,002
Buildings	48,931,868	-	1,015,540	-	-	49,947,408
Improvements other than buildings	5,137,321	-	207,180	-	-	5,344,501
Road improvements	146,377,341	-	1,590,821	-	-	147,968,162
Construction in progress	10,238,161	-	5,665,700	(496,412)	-	15,407,449
Equipment	27,474,313	-	3,161,842	-	(3,250,498)	27,385,657
Total capital assets	246,164,520	-	14,174,488	(496,412)	(3,250,498)	256,592,098
Less accumulated depreciation	(122,841,751)	-	(9,684,352)	-	2,275,320	(130,250,783)
Governmental activities capital assets, net	$ 123,322,769	$ -	$ 4,490,136	$ (496,412)	$ (975,178)	$ 126,341,315
Business-type activities:						
Land	$ 1,942,202	$ -	$ -	$ -	$ -	$ 1,942,202
Equipment	2,893,365	-	663,119	-	(286,525)	3,269,959
Buildings	624,868	-	-	-	-	624,868
Improvements	13,216,668	-	-	-	-	13,216,668
Construction in progress	2,121,441	-	435,687	-	-	2,557,128
Total capital assets	20,798,544	-	1,098,806	-	(286,525)	21,610,825
Less accumulated depreciation	(9,138,234)	-	(613,558)	-	194,282	(9,557,510)
Business-type activities capital assets, net	$ 11,660,310	$ -	$ 485,248	$ -	$ (92,243)	$ 12,053,315

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

Governmental activities:	
General government	$ 684,541
Public safety	1,762,713
Physical environment	75,176
Transportation	6,869,543
Economic environment	32,141
Human services	40,440
Culture/recreation	219,798
Total depreciation expense - governmental activities	$ 9,684,352
Business -type activities:	
Landfill enterprise	391,958
Utilities enterprise	221,600
Total depreciation expense - business-type activities	$ 613,558

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.

Fund	Interfund Receivables	Interfund Payables
General fund	$ 1,676,014	$ 13,927
Special revenue funds:		
Municipal services benefit unit	501,495	-
Court service fund	8,962	-
Community Development Bock Grant	-	160,578
Tourist Development Tax	160,578	
Sheriff:		
Operating	-	140,249
Clerk of Courts:		
Operating	154,296	74,789
Public records modernization	7,219	-
Reserved 10%	12,125	-
Teen court	3,013	-
Property Appraiser operating	13,926	40,776
Supervisor of Elections operating	-	36,978
Tax Collector operating	51,914	298,411
Agency funds:		
Clerk of Circuit Court		
Trust	-	234,288
Sheriff		
Individual depositors	-	8,024
Tax Collector		
Ad valorem tax	2,240	129,893
Enterprise Fund:		
Utilities	-	1,453,869 *
Totals	$ 2,591,782	$ 2,591,782

* Not anticipated to be repaid within one year.

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2014, consisted of the following:

Transfers from General Fund to:	
Clerk of Courts Operating Fund	$ 481,867
Property Appraiser Operating Fund	1,194,670
Sheriff Operating Fund	12,608,339
Supervisor of Elections Operating Fund	699,595
Road Improvement Fund	1,180,447
Connnector Road Fund	710,000
Transportation Trust Fund	210,293
Capital Projects Fund	125,000
Transfer from Transportation Trust to:	
Road Improvement Fund	1,000,000
Transfer from Municipal Services Fund to:	
Road Improvement Fund	2,000,000
Transfer from Tourist Development Tax to:	
General Fund	150,000
Transfer from Economic Development Tax to:	
Utilities Fund	300,000
Transfer from Road Improvement Fund to:	
Connnector Road Fund	1,897,500
Transfer from Connector Road Fund to:	
Road Improvement Fund	1,000,000
Transfer from Special Law Enforcement Fund to:	
Sheriff Operating Fund	14,000
Transfer from Road Improvement Debt Service Fund to:	
Road Improvement Capital Projects Fund	900,000
Transfer from Supervisor of Elections Operating Fund to:	
General Fund	36,978
Transfer from Clerk of Courts Operating Fund to:	
General Fund	74,788
Total transfers	$24,583,477

Transfers are used to 1) move revenues from the fund that state law requires to collect them to the fund that state law requires to expend them, 2) provide matching funds for grants, 3) use unrestricted general fund revenues to finance transportation activities which must be accounted for in another fund, and 4) fund Constitutional Officer operations.

NOTE 9. RECEIVABLE AND PAYABLE BALANCES

Receivables

Receivables at September 30, 2014, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
Governmental activities:			
General	$ 104,874	$ 991,775	$ 1,096,649
County transportation trust	1,623	497,049	498,672
Municipal services	-	35,018	35,018
Sheriff operating	4,930	19,237	24,167
Clerk operating	302	38,819	39,121
Economic development	-	12,820	12,820
Road improvements capital projects	-	51,619	51,619
Other governmental	1,823	120,243	122,066
Total governmental activities	$ 113,552	$ 1,766,580	$ 1,880,132
Business-type activities:			
Landfill enterprise, net	$ 289,103	$ 11,981	$ 301,084
Utilities	235	-	235
Landfill enterprise	$ 289,338	$ 11,981	$ 301,319

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 $18,009.

Payables at September 30, 2014, were as follows:

	Vendors	Other Governmental Units	Total Payables
Governmental activities:			
General	$ 452,763	$ 4,020	$ 456,783
County transportation trust	337,351	-	337,351
Municipal services	109,452	-	109,452
Clerk of Court operating	3,529	-	3,529
Sheriff operating	110,547	-	110,547
Economic development	23,677	-	23,677
Connector road	95,411	-	95,411
Road improvement	764,263	-	764,263
Other governmental	102,303	20,025	122,328
Total governmental activities	$1,999,296	$ 24,045	$2,023,341
Business-type activities:			
Landfill enterprise	$ 172,291	$ -	$ 172,291
Utilities	1,633	-	1,633
	$ 173,924	$ -	$ 173,924

NOTE 10. LONG-TERM LIABILITIES

A. Governmental Activities

Revenue Bonds

A. On December 31, 2008, the County closed on the Capital Improvement Revenue Bond Series 2008A in the amount of $4,800,000 with Prosperity Bank. The purpose of this issuance was to provide funds for capital improvements to fire equipment and infrastructure. The bonds are being repaid over a period of twenty years with a fixed interest rate of 4.29%. The debt is secured by and paid from the County's Half Cent Sales Tax revenues pursuant to County Ordinance No. 2008R-13.

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

Year Ending September 30	Principal	Interest	Total
2015	$ 252,277	$ 108,349	$ 360,626
2016	259,931	100,695	360,626
2017	267,817	92,809	360,626
2018	275,942	84,684	360,626
2019	284,315	76,311	360,626
Thereafter	2,365,342	278,531	2,643,873
Total	$ 3,705,624	$ 741,379	$ 4,447,003

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

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

Year Ending September 30	Principal	Interest	Total
2015	$ 437,852	$ 51,946	$ 489,798
2016	451,211	38,587	489,798
2017	465,204	24,594	489,798
2018	479,517	10,281	489,798
2019	37,289	357	37,646
Total	$ 1,871,073	$ 125,765	$ 1,996,838

C. On June 28, 2013, the County authorized the issuance of the Columbia County , the Florida Gas Tax Revenue Bond Series 3 totaling $4,470,000 in order to finance the cost of certain transportation related capital improvements within the County. The first two cents of the

County's local option gas tax imposed pursuant to Section 336.025, Florida Statutes, is pledged to secure payment of the principal and interest on the bonds. The bonds are being repaid over a period of seven years with an interest rate of 1.33% using the pledged revenues. The scheduled payments of principal and interest on these bonds are as follows:

Year Ending September 30	Principal	Interest	Total
2015	$ 620,898	$ 48,214	$ 669,112
2016	629,197	39,915	669,112
2017	637,607	31,505	669,112
2018	646,130	22,982	669,112
2019	654,766	14,346	669,112
2020	612,290	5,594	617,884
Total	$ 3,800,888	$ 162,556	$ 3,963,444

Capital Leases

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

A. Purchase of three motor graders costing $598,338. The terms of the agreement call for five annual payments $51,137, beginning on July 23, 2012 with a concluding payment of $414,000 on July 23, 2017. These payments include interest at 3.00%.

B. Purchase of four motor graders costing $797,184. The terms of the agreement call for five annual payments $68,055, beginning on May 3, 2013 with a concluding payment of $552,000, on May 3, 2018. These payments include interest at 3.00%.

C. 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. These payments include interest of 3.18%.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 2014:

Year Ending September 30	
2015	$ 206,532
2016	206,532
2017	569,396
2018	639,340
2019	500,000
Less amount representing interest	(211,323)
Total	$ 1,910,477

B. Business-type Activities

Loan Payable

FDEP - On July 14, 2004, the County entered into a loan agreement , number WW 74202P, with the State of Florida Department of Environmental Protection (FDEP) for State Revolving Fund financial assistance for a wastewater treatment system at the I-75 exit 80 area (Ellisville). The terms of this agreement called for a $276,864 disbursable amount of loan funds plus $8,800 in capitalized interest for a total loan principal of $285,664.

This loan was subsequently amended on June 14, 2006 for a total loan amount of $755,809 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 1.035%, beginning July 15, 2011. At September 30, 2014, the loan balance was $498,412.

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, 2014, the balance of the loan was $714,020.

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, 2014, the balance of the loan was $179,043.

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
2015	$ 8,708	$ 25,628	$ 67,441	$ 33,705	$ 135,482
2016	8,947	26,161	69,252	31,122	135,482
2017	9,192	26,705	71,112	28,473	135,482
2018	9,445	27,261	73,022	25,754	135,482
2019	9,704	27,828	74,982	22,968	135,482
Thereafter	133,047	364,829	358,211	74,309	930,396
Total	$ 179,043	$ 498,412	$ 714,020	$ 216,331	$ 1,607,806

D. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2014, was as follows:

	Balance at 10/01/13	Adjustment	Additions	Deletions	Balance at 9/30/2014	Due Within One Year
Governmental activities:						
Revenue bonds:						
Columbia Bank-Series 2008B	$ 2,295,897	$ -	$ -	$ (424,824)	$ 1,871,073	$ 437,852
Prosperity Bank-Series 2008A	3,948,947	-	-	(243,323)	3,705,624	252,277
Bascom Norris - Gas Tax 2013	4,470,000	-	-	(669,112)	3,800,888	669,112
	10,714,844	-	-	(1,337,259)	9,377,585	1,359,241
Capital leases payable:						
Caterpillar Financial	370,804	-	-	(370,804)	-	-
Ring Investments M9C00251	170,827	-	-	(11,921)	158,906	12,278
Ring Investments M9C00252	170,827	-	-	(11,921)	158,906	12,278
Ring Investments M9C00254	170,827	-	-	(11,921)	158,906	12,278
Ring Investments M9C00285	182,282	-	-	(11,545)	170,737	11,892
Ring Investments M9C00286	182,282	-	-	(11,545)	170,737	11,892
Ring Investments M9C00316	182,282	-	-	(11,545)	170,737	11,892
Ring Investments M9C00323	182,281	-	-	(11,545)	170,736	11,892
Ring Investments M9C00418	-	-	209,539	(21,836)	187,703	15,866
Ring Investments M9C00417	-	-	209,539	(21,836)	187,703	15,866
Ring Investments M9C00419	-	-	209,539	(21,836)	187,703	15,866
Ring Investments M9C00428	-	-	209,539	(21,836)	187,703	15,866
	1,612,412	-	838,156	(540,091)	1,910,477	147,865
Other Liabilities:						
Compensated absences	2,049,590	-	115,593	-	2,165,183	324,777
	$ 14,376,846	$ -	$ 953,749	$(1,877,350)	$ 13,453,245	$ 1,831,883
Business activities:						
Loan agreements payable:						
Department of Environmental Protection	$ 1,490,990	$ -	$ -	$ (99,515)	$ 1,391,475	$ 101,777
Other Liabilities:						
Compensated absences	32,306	-	39,887	(36,441)	35,752	2,860
Estimated liability for landfill closure	7,456,973	-	2,062,118	-	9,519,091	200,401
	$ 8,980,269	$ -	$ 2,102,005	$ (135,957)	$ 10,946,318	$ 305,038

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.

$9,519,091 is reported as landfill closure and postclosure care liability at September 30, 2014, represents the cumulative amount reported to date based on the use of 10 years of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and annual postclosure care in 2014. The County expects to close this landfill cell in the year 2018. Actual cost may be higher because of inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to an escrow account to finance closure. The County is in compliance with these requirements, and at September 30, 2014, restricted cash of $4,768,383 is held for its purpose. The County expects future inflation costs to be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined

(because of changes in technology or applicable laws and regulations, for example), these costs may need to be covered by charges to future landfill users or from other future revenues of the County.

NOTE 12. OPERATING LEASES

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

Year Ending September 30	
2015	$ 140,854
2016	40,580
2017	30,940
2018	28,943
2019	8,672
2020	1,043
	$ 251,032

Lease expense for the fiscal year ended September 30, 2014 was $256,605.

NOTE 13. DEFINED BENEFIT AND DEFINED CONTRIBUTION PENSION PLANS

Florida Retirement System

Plan Description - The County employees participate in the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system, administered by the Florida Department of Management Services. The FRS offers members both a defined benefit plan and/or a defined contribution pension plan to provide retirement, disability, or death benefits for retirees or their designated beneficiaries.

The FRS is noncontributory for all members through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their wages toward the plan. The FRS provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. Early retirement is available after eight years of service with a five percent reduction in benefits for each year prior to the normal retirement age. Retirement benefits are based on age, average compensation, and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates, established by state law, is determined using the entry-age actuarial funding method.

Future plan benefit changes, assumption changes, and methodology changes are amortized within 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount.

Employees may also participate in the FRS defined-contribution plan. Employees who participate in the defined-contribution plan (the Investment Plan) become fully vested in their account after one year of credited service. Benefits are payable only upon termination of employment, death or disability and are based on the total value of the participant's account at the distribution date. A

participant's account receives annual contributions from the employee (3%), the employer at various rates depending on class, and investment earnings on the account's investments.

Florida Statutes Chapter 121, as may be amended from time to time by the state legislature, determines contribution rates for the various membership classes of the FRS. The FRS issues a publicly available financial report that includes financial statements, ten-year historical trend information and the other required supplementary information. The report may be obtained by writing to the Department of Management Services, Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000.

Funding Policy - The FRS has the following classes of membership applicable to the County with descriptions and contribution rates in effect during the period ended September 30, 2014, as follows (contribution rates are in agreement with the actuarially determined rates):

	July 1, 2013 - June 30, 2014	July 1, 2014 - June 30, 3015
Regular Class - Members not qualifying for other classes.	6.95%	7.37%
Senior Management Service Class - Members of senior management who do not elect the optional annuity management program.	18.31%	21.14%
Special Risk Class - Members employed as law enforcement officers, firefighters, correctional officers, or emergency services and meet the criteria set to qualify for this class.	19.06%	19.82%
Special Risk Administrative Support Class - Special risk members who are transferred or reassigned to non-special risk and meet the criteria.	35.96%	42.07%
Elected County Officer's Class - Certain elected county officials.	33.03%	43.24%
Deferred Retirement Option Program - Members who are eligible for normal retirement that have elected to participate in the deferred retirement option program.	12.84%	12.28%

Contributions to the FRS for the fiscal year ended September 30, 2014, were equal to 12.4% of the annual covered payroll. Contributions to the FRS for the fiscal years ended September 30, 2012, 2013, and 2014, were $1,515,464, $1,818,424, and $2,576,457, respectively, which are equal to 100% of the required contribution for each year.

Funding Status – The FRS Annual Report July 1, 2013 - June 30, 2014 available as previously mentioned, stated that the FRS pension plan was 86.57% funded at July 1, 2014 since the actuarial value of assets was $138.621 billion compared to the actuarial accrued liability of $160.131 billion.

NOTE 14. FUND BALANCES GOVERNMENTAL FUNDS

As of September 30, 2014, 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	$ -	$ -	$ 102,558	$ -	$ -
SRWMD mitigation reserve	1,358,710	-	-	-	-
Capital bond covenants	-	-	2,125,645	-	-
Virginia Bishop reserve	-	-	144	-	-
Bernhardt Trust reserve	-	-	1,793	-	-
Southside Recreation Center	-	1,435,289	-	-	-
Sheriff reserve for interlocal	1,300,000	-	-	-	-
Supervisor of Elections	-	-	-	37,383	-
Undesignated	-	-	-	-	10,369,789
	$ 2,658,710	$ 1,435,289	$ 2,230,140	$ 37,383	$10,369,789
Other governmental funds:					
Board of County Commissioners					
Capital Projects	$ -	$ 125,000	$ -	$ -	$ -
Community Development Block Grant	-	-	-	-	(160,578)
Connector Road Project	-	-	-	-	(67,574)
County Transportation Trust	-	-	4,097,072	75,746	-
Court Reporters	52,684	-	-	-	-
Court Services	-	429,597	456,794	-	-
Economic Development	-	1,936,247	-	70,350	-
Impact Fees	-	-	293,989	-	-
Law Enforcement Special	-	-	61,721	-	-
Law Library	-	-	2,846	-	-
Library Enhancement Grant	-	-	12,493	-	-
Local Housing Assistance	-	-	28,809	-	-
Municipal Services Benefit Unit	-	-	6,571,352	-	-
Neighborhood Stabilization	-	-	25,813	-	-
Paving Assessments	-	-	98,290	-	-
Road Improvement	-	5,020,667	-	-	-
Road Improvement Debt Service	-	-	502,626	-	-
Tourist Development Tax	-	-	1,458,188	-	-
Clerk of Courts					
Public Records Modernization Trust	-	-	224,780	-	-
Reserved 10%	-	-	300,999	-	-
Teen Court	-	-	3,889	-	-
Sheriff					
Work Program	-	-	6,134	-	-
Forfeiture Fund	-	-	23,372	-	-
Forfeiture Nongrant	-	-	342,042	-	-
Inmate Welfare	-	-	358,868	-	-
Minimum Standards School	-	-	25,578	-	-
Total other governmental funds	52,684	7,511,511	14,895,655	146,096	(228,152)
Total	$ 2,711,394	$ 8,946,800	$ 17,125,795	$ 183,479	$10,141,637

NOTE 15. CONTINGENT LIABILITIES

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

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

NOTE 16. RISK MANAGEMENT

The County participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the County's entity risk pool pays annual premiums to the pools for its insurance coverages. The agreements for formation of the pools provide that the pools will

be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specific amounts.

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

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

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

NOTE 17. CONSTRUCTION COMMITMENTS

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

NOTE 18. FUND EQUITY DEFICITS

The following governmental fund had a deficit in fund balance at September 30, 2014:

Community Development Block Grant	$ (160,578)
Connector Road Projects	(67,573)
	$ (228,151)

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

NOTE 19. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

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

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

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Taxes	$ 21,222,024	$ 21,082,024	$ 22,050,670	$ 968,646
Licenses, permits , special assessments	-	17,000	34,978	17,978
Intergovernmental	4,292,345	5,140,966	5,802,858	661,892
Charges for services	643,018	2,054,458	2,537,941	483,483
Fines and forfeitures	351,500	120,000	142,630	22,630
Interest	57,000	57,000	68,700	11,700
Miscellaneous	89,000	99,747	161,588	61,841
Total revenues	26,654,887	28,571,195	30,799,365	2,228,170
EXPENDITURES				
Current operating:				
General government	4,370,477	4,175,895	4,689,144	(513,249)
Public safety	2,659,431	3,526,932	3,312,242	214,690
Physical environment	967,200	2,476,888	902,669	1,574,219
Economic environment	185,919	187,610	181,639	5,971
Human services	2,460,676	2,580,334	2,510,272	70,062
Culture/recreation	947,061	1,792,950	2,002,821	(209,871)
Capital outlay:				
General government	-	27,297	23,880	3,417
Public safety	24,982	56,048	77,690	(21,642)
Physical environment	24,000	179,968	234,673	(54,705)
Human services	-	47,286	31,600	15,686
Culture/recreation	67,356	2,761,000	725,224	2,035,776
Total expenditures	11,707,102	17,812,208	14,691,854	3,120,354
Excess of revenues over expenditures	14,947,785	10,758,987	16,107,511	5,348,524
Other Financing Sources (Uses)				
Transfers in	1,169,290	-	407,811	407,811
Transfers out	(13,868,055)	(18,323,188)	(17,210,210)	1,112,978
Total other financing sources (uses)	(12,698,765)	(18,323,188)	(16,802,399)	1,520,789
Net change in fund balance	2,249,020	(7,564,201)	(694,888)	6,869,313
Fund balance, beginning of year	17,426,199	17,426,199	17,426,199	-
Fund balance, end of year	$ 19,675,219	$ 9,861,998	$ 16,731,311	$ 6,869,313

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

COUNTY TRANSPORTATION TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes	$ 3,385,000	$ 3,385,000	$ 3,543,375	$ 158,375
Intergovernmental	4,653,000	4,653,000	4,558,529	(94,471)
Charges for services	-	9,000	8,935	(65)
Interest	3,000	3,000	12,169	9,169
Miscellaneous	125,620	126,311	155,170	28,859
Total revenues	8,166,620	8,176,311	8,278,178	101,867
EXPENDITURES				
Current operating:				
Physical environment	-	5,800	5,780	20
Transportation	7,240,905	7,319,804	7,084,356	235,448
Capital outlay:				
Transportation	-	1,641,699	1,425,547	216,152
Debt service				
Principal	214,745	583,083	540,091	42,992
Interest	-	16,273	59,264	(42,991)
Total expenditures	7,455,650	9,566,659	9,115,038	451,621
Excess of revenues over expenditures	710,970	(1,390,348)	(836,860)	553,488
Other Financing Sources (Uses)				
Sale of surplus equipment	-	350,413	540,645	190,232
Debt proceeds	-	838,156	838,156	-
Transfers in		210,293	210,293	-
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	(1,000,000)	398,862	589,094	190,232
Net change in fund balance	(289,030)	(991,486)	(247,766)	743,720
Fund balance, beginning of year	4,370,584	4,370,584	4,370,584	-
Prior period adjustment	-	-	50,000	50,000
Fund balance, end of year	$ 4,081,554	$ 3,379,098	$ 4,172,818	$ 793,720

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

MUNICIPAL SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes	$ 290,000	$ 520,000	$ 585,828	$ 65,828
Licenses, permits and assessments	9,863,100	9,903,000	8,871,621	(1,031,379)
Intergovernmental	668,250	402,030	368,946	(33,084)
Charges for services	-	10,100	15,075	4,975
Interest	6,000	8,000	45,494	37,494
Miscellaneous	7,500	74,915	95,905	20,990
Total revenues	10,834,850	10,918,045	9,982,869	(935,176)
EXPENDITURES				
Current operating:				
General government	329,754	337,761	337,761	-
Public safety	5,077,687	5,175,289	5,155,192	20,097
Physical environment	3,845,594	3,845,594	3,604,354	241,240
Economic environment	-	6,749	1,896	4,853
Culture/recreation	1,200	-	-	-
Capital outlay:				
Public safety	-	1,126,444	1,518,839	(392,395)
Debt service				
Principal	360,626	189,551	243,323	(53,772)
Interest	-	171,075	117,302	53,773
Total expenditures	9,614,861	10,852,463	10,978,667	(126,204)
Excess of revenues over expenditures	1,219,989	65,582	(995,798)	(1,061,380)
Other Financing Sources (Uses)				
Sale of equipment	-	61,099	481,099	420,000
Transfers out	(2,000,000)	(2,000,000)	(2,000,000)	-
Total other financing sources (uses)	(2,000,000)	(1,938,901)	(1,518,901)	420,000
Net change in fund balance	(780,011)	(1,873,319)	(2,514,699)	(641,380)
Fund balance, beginning of year	9,086,051	9,086,051	9,086,051	-
Fund balance, end of year	$ 8,306,040	$ 7,212,732	$ 6,571,352	$ (641,380)

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

CLERK OF CIRCUIT COURT OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ 113,705	$ 113,705	$ 122,659	$ 8,954
Charges for services	1,654,000	1,465,000	1,214,065	(250,935)
Fines	-	-	513,194	513,194
Total revenues	1,767,705	1,578,705	1,849,918	271,213
EXPENDITURES				
Current operating:				
General government	611,900	611,900	739,548	(127,648)
Court-related	1,396,892	1,396,892	1,517,448	(120,556)
Total expenditures	2,008,792	2,008,792	2,256,996	(248,204)
Excess of revenues over expenditures	(241,087)	(430,087)	(407,078)	23,009
Other financing sources (uses)				
Interfund transfers in	241,087	430,087	481,867	51,780
Interfund transfers out	-	-	(74,789)	(74,789)
Total other financing sources	241,087	430,087	407,078	(23,009)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

SHERIFF OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ 54,782	$ 54,782	$ -
Charges for services	-	136,630	136,630	-
Miscellaneous	-	95,281	95,281	-
Total revenues	-	286,693	286,693	-
EXPENDITURES				
Current operating:				
Public safety	12,317,839	12,427,881	12,427,881	-
Capital outlay:				
Public safety	304,500	361,956	361,956	-
Total expenditures	12,622,339	12,789,837	12,789,837	-
Excess of revenues over expenditures	(12,622,339)	(12,503,144)	(12,503,144)	-
Other Financing Sources				
Transfers in	12,622,339	12,503,144	12,503,144	-
Total other financing sources	12,622,339	12,503,144	12,503,144	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

ECONOMIC DEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental	$ 1,125,000	$ 1,165,000	$ 1,153,000	$ (12,000)
Interest	2,000	2,000	1,594	(406)
Miscellaneous	-	-	3	3
Total revenues	1,127,000	1,167,000	1,154,597	(12,403)
EXPENDITURES				
Economic environment				
Current operating	282,350	330,548	279,979	50,569
Capital outlay	-	-	-	-
Debt service				
Principal	397,931	397,931	424,824	(26,893)
Interest	91,867	91,867	64,974	26,893
Total expenditures	772,148	820,346	769,777	50,569
Excess of revenues over expenditures	354,852	346,654	384,820	38,166
Other Financing (Uses)				
Transfers out	-	(300,000)	(300,000)	-
Total other financing (uses)	-	(300,000)	(300,000)	-
Net change in fund balance	354,852	46,654	84,820	38,166
Fund balance, beginning of year	1,921,777	1,921,777	1,921,777	-
Fund balance, end of year	$ 2,276,629	$ 1,968,431	$ 2,006,597	$ 38,166

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

CONNECTOR ROAD PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Interest	$ 4,000	$ 8,000	$ 2,355	$ (5,645)
Total revenues	4,000	8,000	2,355	(5,645)
EXPENDITURES				
Transportation				
Current expenditures	25,000	425,000	59,659	365,341
Capital outlay	5,900,000	7,107,500	6,674,955	432,545
Total expenditures	5,925,000	7,532,500	6,734,614	797,886
Excess of revenues over expenditures	(5,921,000)	(7,524,500)	(6,732,259)	792,241
Other financing sources (uses)				
Debt proceeds	4,470,000	4,470,000	-	(4,470,000)
Interfund transfers in	-	-	2,607,500	2,607,500
Interfund transfer out	-	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	4,470,000	3,470,000	1,607,500	(1,862,500)
Net change in fund balance	(1,451,000)	(4,054,500)	(5,124,759)	(1,070,259)
Fund balance, beginning of year	5,057,186	5,057,186	5,057,186	-
Fund balance, end of year	$ 3,606,186	$ 1,002,686	$ (67,573)	$ (1,070,259)

See notes to financial statements.

COLUMBIA COUNTY FLORIDA

ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ 3,491,972	$ 1,479,933	$ (2,012,039)
Interest	-	-	7,364	7,364
Miscellaneous	-	-	9,641	9,641
Total revenues	-	3,491,972	1,496,938	(1,995,034)
EXPENDITURES				
Current operating:				
Transportation	-	1,088,798	1,862,249	(773,451)
Capital outlay:				
Transportation	5,176,045	9,813,522	2,227,208	7,586,314
Total expenditures	5,176,045	10,902,320	4,089,457	6,812,863
Excess of revenues over expenditures	(5,176,045)	(7,410,348)	(2,592,519)	4,817,829
Other Financing Sources (Uses)				
Transfers in	4,900,000	5,080,447	6,080,447	1,000,000
Transfers out	-	(1,897,500)	(1,897,500)	-
Total other financing sources (uses)	4,900,000	3,182,947	4,182,947	1,000,000
Net change in fund balance	(276,045)	(4,227,401)	1,590,428	5,817,829
Fund balance, beginning of year	3,430,239	3,430,239	3,430,239	-
Fund balance, end of year	$ 3,154,194	$ (797,162)	$ 5,020,667	$ 5,817,829

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended September 30, 2014

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, 2014 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.

12. The following major funds showed an excess of expenditures over appropriations:

	Appropriations	Expenses	Variance Positive (Negative)
Municipal Services	$ 12,852,463	$ 12,978,667	$ (126,204)
Clerk of the Circuit Court Operating	2,008,792	2,256,996	(248,204)
	$14,861,255	$15,235,663	$ (374,408)

The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2014.

	Appropriations	Expenses	Variance Positive (Negative)
Enterprise funds			
Landfill enterprise	$ 6,669,166	$ 4,145,869	$ 2,523,297
Utilities	484,812	432,655	52,157
	$ 7,153,978	$ 4,578,524	$ 2,575,454

FUND COMBINING STATEMENTS

COLUMBIA COUNTY FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2014

	Clerk of Courts			Property Appraiser	Sheriff					Supervisor of Elections	Tax Collector	Board of County Commissioners	
	Public Records Modernization Trust	Reserved 10%	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	Community Development Block Grant	Court Reporters
ASSETS													
Current assets													
Cash	$ 225,929	$ 288,874	$ 2,316	$ 30,157	$ 25,578	$ 49,591	$ 358,868	$ 342,042	$ 6,134	$ 10,564	$ 302,262	$ -	$ 52,684
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	7,219	12,125	3,013	13,926	-	-	-	-	-	-	51,914	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	2,240	-	-
Prepaid expense	-	-	-	-	-	-	-	-	-	37,383	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	$ 233,148	$ 300,999	$ 5,329	$ 44,083	$ 25,578	$ 49,591	$ 358,868	$ 342,042	$ 6,134	$ 47,947	$ 356,416	$ -	$ 52,684
LIABILITIES AND FUND BALANCES													
LIABILITIES													
Current liabilities													
Accounts payable	$ 8,368	$ -	$ 1,440	$ -	$ -	$ 26,219	$ -	$ -	$ -	$ 1,619	$ 7,738	$ -	$ -
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-	33,549	-	-
Due to other funds	-	-	-	40,776	-	-	-	-	-	36,978	298,411	160,578	-
Due to other governmental units	-	-	-	3,307	-	-	-	-	-	-	16,718	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	9,350	-	-	-
Total liabilities	8,368	-	1,440	44,083	-	26,219	-	-	-	47,947	356,416	160,578	-
FUND BALANCES													
Restricted	224,780	300,999	3,889	-	25,578	23,372	358,868	342,042	6,134	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-	-	-	52,684
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	(160,578)	-
Total fund balances	224,780	300,999	3,889	-	25,578	23,372	358,868	342,042	6,134	-	-	(160,578)	52,684
Total liabilities and fund balances	$ 233,148	$ 300,999	$ 5,329	$ 44,083	$ 25,578	$ 49,591	$ 358,868	$ 342,042	$ 6,134	$ 47,947	$ 356,416	$ -	$ 52,684

(continued)

COLUMBIA COUNTY FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2014

	Special Revenue Funds									Debt Service Fund	Capital Projects		
	Board of County Commissioners												
	Court Service	Impact Fees	Industrial Development Authority	Law Enforcement Special	Law Library	Library Enhancement Grant	Local Housing Assistance	Neighborhood Stabilization	Tourist Development Tax	Road Improvement	Paving Assess-ments	County Facilities	Total Nonmajor Governmental Funds
ASSETS													
Cash	$ 897,413	$ 293,989	$ -	$ 60,261	$ 2,846	$ 180,628	$ 404,084	$ 27,004	$ 1,189,466	$ 452,921	$ 98,290	$ 125,000	$ 5,426,901
Accounts receivable	-	-	-	-	-	-	-	1,823	-	-	-	-	1,823
Due from other funds	8,962	-	-	-	-	-	-	-	160,578	-	-	-	257,737
Due from other governmental units	-	-	-	-	-	-	-	-	68,298	49,705	-	-	120,243
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-	-	37,383
Investments	-	-	-	1,460	-	-	-	-	49,601	-	-	-	51,061
Total assets	$ 906,375	$ 293,989	$ -	$ 61,721	$ 2,846	$ 180,628	$ 404,084	$ 28,827	$ 1,467,943	$ 502,626	$ 98,290	$ 125,000	$ 5,895,148
LIABILITIES AND FUND BALANCES													
LIABILITIES													
Current liabilities													
Accounts payable	$ 19,984	$ -	$ -	$ -	$ -	$ 471	$ 26,199	$ 510	$ 9,755	$ -	$ -	$ -	$ 102,303
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-	-	-	33,549
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-	536,743
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	-	20,025
Deposits	-	-	-	-	-	-	-	2,500	-	-	-	-	2,500
Revenues collected in advance	-	-	-	-	-	167,664	349,076	4	-	-	-	-	526,094
Total liabilities	19,984	-	-	-	-	168,135	375,275	3,014	9,755	-	-	-	1,221,214
FUND BALANCES													
Restricted	456,794	293,989	-	61,721	2,846	12,493	28,809	25,813	1,458,188	502,626	98,290	-	4,227,231
Committed	-	-	-	-	-	-	-	-	-	-	-	-	52,684
Assigned	429,597	-	-	-	-	-	-	-	-	-	-	125,000	554,597
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-	(160,578)
Total fund balances	886,391	293,989	-	61,721	2,846	12,493	28,809	25,813	1,458,188	502,626	98,290	125,000	4,673,934
Total liabilities and fund balances	$ 906,375	$ 293,989	$ -	$ 61,721	$ 2,846	$ 180,628	$ 404,084	$ 28,827	$ 1,467,943	$ 502,626	$ 98,290	$ 125,000	$ 5,895,148

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, 2014

	Special Revenue Funds												
	Clerk of Courts			Property Appraiser	Sheriff					Supervisor of Elections	Tax Collector	Board of County Commissioners	
	Public Records Modernization Trust	Reserved 10%	Teen Court	Operating	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Operating	Operating	Community Development Block Grant	Court Reporters
REVENUES													
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	8,500	-	12,903	-	8,720	-	-	120,232
Charges for services	83,687	-	31,402	93,569	-	-	160,528	-	1,753	-	1,541,640	-	-
Fines and forfeitures	-	131,026	-	-	20,085	13,120	-	71,960	-	-	-	-	-
Interest income	-	-	-	92	24	55	174	331	4	15	415	-	-
Miscellaneous	-	-	-	3,260	-	-	60	-	-	5,457	7,473	-	-
Total revenues	83,687	131,026	31,402	96,921	20,109	21,675	160,762	85,194	1,757	14,192	1,549,528	-	120,232
EXPENDITURES													
Current Expenditures													
General government	2,031	-	-	1,264,741	-	-	-	-	-	676,809	1,546,580	-	-
Public safety	-	-	-	-	9,709	15,742	85,130	15,000	3,055	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	45,812	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Court - related	43,969	61,249	26,259	-	-	-	-	-	-	-	-	-	117,055
Capital outlay													
General government	-	-	-	-	-	-	-	-	-	-	2,948	-	-
Public safety	-	-	-	-	-	33,560	4,377	14,000	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	-
Court - related	4,892	-	-	-	-	-	-	-	-	-	-	-	-
Debt service													
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	50,892	61,249	26,259	1,264,741	9,709	49,302	89,507	29,000	3,055	676,809	1,549,528	45,812	117,055
Excess of revenues over (under) expenditures	32,795	69,777	5,143	(1,167,820)	10,400	(27,627)	71,255	56,194	(1,298)	(662,617)	-	(45,812)	3,177
OTHER FINANCING SOURCES (USES)													
Interfund transfers in	-	-	-	1,167,820	-	-	-	-	-	699,595	-	-	-
Interfund transfers out	-	-	-	-	-	-	-	-	-	(36,978)	-	-	-
Total other financing sources (uses)	-	-	-	1,167,820	-	-	-	-	-	662,617	-	-	-
Net change in fund balances	32,795	69,777	5,143	-	10,400	(27,627)	71,255	56,194	(1,298)	-	-	(45,812)	3,177
Fund balances beginning of year	191,985	231,222	(1,254)	-	15,178	50,999	287,613	285,848	7,432	-	-	(114,766)	49,507
Fund balances end of year	$ 224,780	$ 300,999	$ 3,889	$ -	$ 25,578	$ 23,372	$ 358,868	$ 342,042	$ 6,134	$ -	$ -	$ (160,578)	$ 52,684

(Continued)

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

For the Fiscal Year Ending September 30, 2014

	Special Revenue Funds									Debt Service Fund	Capital Projects Fund		
	Board of County Commissioners												
	Court Service	Impact Fees	Industrial Development Authority	Law Enforcement Special	Law Library	Library Enhancement Grant	Local Housing Assistance	Neighborhood Stabilization	Tourist Development Tax	Road Improvement	Paving Assess-ments	County Facilities	Total Nonmajor Governmental Funds
REVENUES													
Taxes	$ 215,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 934,877	$ 800,000	$ -	$ -	$ 1,949,877
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	-	32,847	-	32,847
Intergovernmental revenue	-	-	-	-	-	378,111	355,415	373,151	37,971	-	-	-	1,295,003
Charges for services	129,910	-	-	-	-	-	-	-	-	-	-	-	2,042,489
Fines and forfeitures	-	-	-	36,876	-	-	-	-	-	-	-	-	273,067
Interest income	1,278	444	-	103	-	7,322	-	-	1,909	-	138	-	12,304
Miscellaneous	-	-	-	-	-	286	-	9,322	15,050	-	-	-	40,908
Total revenues	346,188	444	-	36,979	-	385,719	355,415	382,473	989,807	800,000	32,985	-	5,646,495
EXPENDITURES													
Current Expenditures													
General government	12,753	-	-	-	-	-	-	-	-	58	657	-	3,503,629
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	128,636
Economic environment	-	-	-	-	-	-	355,415	32,766	555,315	-	-	-	989,308
Culture/recreation	-	-	-	-	-	757,731	-	-	-	-	-	-	757,731
Court -related	289,146	-	-	-	-	-	-	-	-	-	-	-	537,678
Capital outlay													-
General government	-	-	-	-	-	-	-	-	-	-	-	-	2,948
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	51,937
Economic environment	-	-	-	-	-	-	-	296,562	20,165	-	-	-	316,727
Court -related	-	-	-	-	-	-	-	-	-	-	-	-	4,892
Debt service													-
Principal	-	-	-	-	-	-	-	-	-	669,112	-	-	669,112
Interest	-	-	-	-	-	-	-	-	-	57,404	-	-	57,404
Total expenditures	301,899	-	-	-	-	757,731	355,415	329,328	575,480	726,574	657	-	7,020,002
Excess of revenues over (under) expenditures	44,289	444	-	36,979	-	(372,012)	-	53,145	414,327	73,426	32,328	-	(1,373,507)
OTHER FINANCING SOURCES (USES)													
Interfund transfers in	-	-	-	-	-	-	-	-	-	-	-	125,000	1,992,415
Interfund transfers out	-	-	-	(14,000)	-	-	-	-	(150,000)	(900,000)	-	-	(1,100,978)
Total other financing sources (uses)	-	-	-	(14,000)	-	-	-	-	(150,000)	(900,000)	-	125,000	891,437
Net change in fund balances	44,289	444	-	22,979	-	(372,012)	-	53,145	264,327	(826,574)	32,328	125,000	(482,070)
Fund balances beginning of year	842,102	293,545	-	38,742	2,846	384,505	28,809	(27,332)	1,193,861	1,329,200	65,962	-	5,156,004
Fund balances end of year	$ 886,391	$ 293,989	$ -	$ 61,721	$ 2,846	$ 12,493	$ 28,809	$ 25,813	$ 1,458,188	$ 502,626	$ 98,290	$ 125,000	$ 4,673,934

See notes to financial statements.

COLUMBIA COUNTY FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
September 30, 2014

	Clerk of Circuit Court					Sheriff				Tax Collector		
	Clerk's Trust	Employee Sunshine	Domestic Relations	Jury Witness	Public Defender Occupancy Trust	Individual Depositors	Inmate Welfare	Donation Trust	Evidence Trust	Tag Agency	Ad Valorem Tax Agency	Totals
ASSETS												
Cash	$ 1,043,511	$ 613	$ 1,544	$ 8,114	$ 23,033	$ 8,024	$ 376,943	$ 12,117	$ 61,109	$ 220,185	$ 2,124,220	$ 3,879,413
Accounts receivable	13,562	-	-	-	-	-	470,028	-	-	-	-	483,590
Due from other funds	-	-	-	-	-	-	-	-	-	-	2,240	2,240
Total assets	$ 1,057,073	$ 613	$ 1,544	$ 8,114	$ 23,033	$ 8,024	$ 846,971	$ 12,117	$ 61,109	$ 220,185	$ 2,126,460	$ 4,365,243
LIABILITIES												
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,594	$ 200	$ 17,794
Cash bond liability	63,713	-	-	-	-	-	-	-	-	-	-	63,713
Court fees payable	154,118	-	-	-	-	-	-	-	-	-	-	154,118
Deposits held in escrow	129,242	-	-	-	-	-	-	-	-	3,446	-	132,688
Due to other funds	234,288	-	-	-	-	8,024	-	-	-	-	129,893	372,205
Due to other governmental units	364,103	-	1,544	8,114	23,033	-	-	-	-	196,970	1,782,684	2,376,448
Interest payable	-	-	-	-	-	-	-	-	-	256	2,742	2,998
Tax deeds payable	93,348	-	-	-	-	-	-	-	-	-	150,149	243,497
Other current liabilities	18,261	613	-	-	-	-	846,971	12,117	61,109	1,919	60,792	1,001,782
Total liabilities	1,057,073	613	1,544	8,114	23,033	8,024	846,971	12,117	61,109	220,185	2,126,460	4,365,243
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, 2014, and the related notes to the financial statements, which collectively comprise Columbia County, Florida's basic financial statements, and have issued our report thereon dated May 28, 2015.

Internal Control Over Financial Reporting

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

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

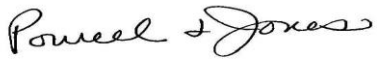
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Columbia County, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain matters that we reported to the management of Columbia County in a letter dated May 28, 2015 on page 90.

Purpose of this Report

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



POWELL & JONES
Certified Public Accountants
May 28, 2015

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, 2014. 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, 2014.

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.

Powell & Jones

POWELL & JONES
Certified Public Accountants

May 28, 2015

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

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

Report on Compliance for Each Major Federal Program

We have audited Columbia County, Florida's compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Columbia County, Florida's major federal programs for the fiscal year ended September 30, 2014. Columbia County, Florida's major federal programs are identified in the summary of Auditors' results section of the accompanying schedule of findings.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Columbia County, Florida's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Columbia County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Columbia County, Florida's compliance.

Opinion on Each Major Federal Program

In our opinion, Columbia County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

Other Matters

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

Report on Internal Control Over Compliance

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

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

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

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

Powell & Jones

POWELL & JONES
Certified Public Accountants
May 28, 2015

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2014

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	(ACCRUED) / DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	ACCRUED / (DEFERRED) 9/30/2014
FEDERAL AWARDS								
Department of Housing and Urban Development								
passed through Florida Department of Community Affairs								
Neighborhood Stabilization Program	14.228	12DB-Q5-03-22-01-F-04	$ 1,029,844	$ 656,693	$ -	$ 373,152	$ 373,152	$ -
Small Cities Community Development Block Grant	14.228	11DB-L4-03-22-01-H-20	750,000	401,956	-	-	-	-
Total Department of Housing and Urban Development			1,779,844	1,058,649	-	373,152	373,152	-
US Department of Justice								
passed through Florida Department of Law Enforcement								
E. Byrne Memorial Justice Assistance Grant	16.738	2013-JAGC-COLU-2-D7-206	33,363	-	-	33,363	33,363	-
E. Byrne Memorial Justice Assistance Grant	16.738	2013-DJ-BX-0151	13,546			13,416	13,416	
Total US Department of Justice			46,909	-	-	46,779	46,779	-
Bureau of Justice Assistance/Office of Criminal Justice Grants								
Bulletproof Vest Grant	16.607	FY2012	11,016	-	-	1,295	1,295	-
Bulletproof Vest Grant	16.607	FY2013	6,077	-	-	6,077	6,077	-
Bulletproof Vest Grant	16.607	FY2013	8,070	-	-	231	231	-
Total Bureau of Justice Assistance/Office of Criminal Justice Grants			25,163			7,603	7,603	
U.S. Drug Enforcement Administration								
passed through the Office of Agricultural Law Enforcement								
Domestic Marijuana Eradication Program	16.004	N/A	5,250	-	-	5,250	5,250	-
			5,250	-	-	5,250	5,250	-
U.S. Elections Assistance Commission								
Help America Vote Act								
passed through State of Florida Division of Elections								
Federal Elections Activities Grant	90.401	FY2013-2014	6,446	-	8,947	6,849	6,446	9,350
Total U.S. Elections Assistance Commission			6,446	-	8,947	6,849	6,446	9,350
Federal Emergency Management Agency								
passed through Florida Department of Community Affairs								
Tropical Storm Debbie	97.036	13-DB-73-03-22-02-531	4,748,136	3,865,851	-	882,285	882,285	-
Total Federal Emergency Management Agency			4,748,136	3,865,851	-	882,285	882,285	-
US Department of Homeland Security								
passed through the Florida Division of Emergency Management								
Emergency Management Performance Grant	97.042	15-FG-40-03-22-01-079	50,972	-	-	-	8,197	-
Emergency Management Performance Grant	97.042	14-FG-1M-03-22-01-079	50,937			50,700	50,700	
State Homeland Security Grant Program	97.067	13-DS-97-03-22-01-260	10,923	-	-	10,923	10,923	-
Total US Department of Homeland Security			112,832	-	-	61,623	69,820	-
U.S. Department of Health and Human Services								
passed through the Florida Department of Revenue								
Title IV-D Grant Incentive Funds	93.563	FY2013-2014	96,788	-	-	96,788	96,788	-
passed through State of Florida Division of Elections								
Polling Place Accessibility Grant Funds	93.617	FY2012-2013	1,871	-	-	1,871	1,871	-
Total Department of Health and Human Services			98,659	-	-	98,659	98,659	-
Total federal awards			**$ 6,823,239**	**$ 4,924,500**	**$ 8,947**	**$ 1,482,200**	**$ 1,489,994**	**$ 9,350**

(Continued)

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2014

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	(ACCRUED) / DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	ACCRUED / (DEFERRED) 9/30/2014
STATE FINANCIAL ASSISTANCE								
Department of Emergency Management								
Emergency Management Programs	31.063	15-BG-83-03-22-01-011	$ 105,806	$ -	$ -	$ -	$ 15,799	$ -
Emergency Management Programs	31.063	14-BG-83-03-22-01-012	105,806	-	-	103,064	103,064	-
Total Department of Emergency Management			211,612	-	-	103,064	118,863	-
Department of Environmental Protection								
Small County Solid Waste Grant Agreement	37.012	404SC	90,909	-	-	90,909	90,909	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP6025	1,200,000	717,334	-	-	-	-
Total Department of Environmental Protection			1,290,909	717,334	-	90,909	90,909	-
Department of Economic Opportunity								
Growth Management Implementation Technical Assistance	40.024	N/A	40,000	-	(12,000)	28,000	28,000	-
Department of Agriculture and Consumer Services								
Arthropod Mosquito Control State Aid	42.003	FDACS Contract #020290	30,000	-	-	30,000	30,000	-
Division of Library Information Services								
State Aid to Libraries Operating/Equalization Grant	45.030	12-ST-13	235,497	-	235,497	235,497	235,497	-
State Aid to Libraries Operating/Equalization Grant	45.030	13-ST-09	212,605	17,213	142,614	142,614	142,614	52,778
State Aid to Libraries Operating/Equalization Grant	45.030	14-ST-09	129,179	-	-	14,293	14,293	114,886
Total Division of Library Information Services			577,281	17,213	378,111	392,404	392,404	167,664
Department of State								
State Housing Initiatives Program								
SHIP Funds 2014	52.901	FY 2013/14	350,000	-	350,000	350,000	350,000	-
SHIP Funds 2015	52.901	FY 2014/15	354,491	-	-	5,415	5,415	349,076
Total Department of State			704,491	-	350,000	355,415	355,415	349,076
Florida Department of Transportation								
Small County Outreach Program - Ichetucknee Ave	55.009	424330-1-58-01	1,527,000	-	-	1,428,313	1,428,313	-
Small County Outreach Program - Real Rd	55.009	434622-1-58-01	812,942	-	-	9,305	9,305	9,305
County Incentive Grant - Bascom Norris at Hwy 90	55.008	434625-1-58-01	1,250,000	-	-	42,314	42,314	42,314
Total Florida Department of Transportation			3,589,942	-	-	1,479,932	1,479,932	51,619
Department of Health								
Emergency Medical Services County Grant Program	64.003	C2012	13,780	-	-	-	-	(13,780)
Florida E911 Board								
911 Maintenance	N/A	13-10-4	53,718	-	-	53,718	53,718	-
911 Primary CPE Upgrade	N/A	13-10-27	65,188	-	-	64,141	64,141	-
911 System Upgrade	N/A	S6-13-12-7	14,626	-	-	14,626	14,626	-
911 System Maintenance	N/A	14-4-5	7,165	-	-	7,165	7,165	-
			140,697	-	-	139,650	139,650	-
Total state financial assistance			**$ 6,598,712**	**$ 734,547**	**$ 716,111**	**$ 2,619,374**	**$ 2,635,173**	**$ 554,579**

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

COLUMBIA COUNTY, FLORIDA

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

For the Fiscal Year Ended September 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

B. Basis of Accounting

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

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

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2014

Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:

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

Identification of major programs:

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

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

Financial Statement Findings

None

Federal Award Findings and Questioned Costs

None

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS
For the Fiscal Year Ended September 30, 2014

State Financial Assistance

Internal control over major projects:

● Material weakness identified?	No
● Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major projects:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, *Rules of the Auditor General?*	No

Identification of Major Programs:

CSFA Number	Name of State Programs
55.009	Small County Road Outreach Program
31.063	Emergency Management Program
45.030	State Aid to Libraries
52.901	State Housing Initiatives Program
NA	Florida E911 Program

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

Financial Statement Findings

None

State Financial Assistance Findings and Questioned Costs

None

MANAGEMENT LETTER

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

We have audited the financial statements of Columbia County, Florida, as of and for the year ended September 30, 2014, and have issued our report thereon dated May 28, 2015.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to each Major Federal Awards Program and State Financial Assistance Project, and Schedule of Findings. Disclosures in those reports and schedule, which are dated May 28, 2015, 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

The prior year finding, 2012-1, "Grant Administration", was substantially corrected during the current year.

The prior year finding, 2013-1, "Stale Dated Checks", was substantially corrected during the current year.

The prior year finding, 2013-2, "Road and Street Capitalization Policy", was substantially corrected during the current year.

The prior year finding, 2013-3, "Travel Documentation", was substantially corrected during the current year.

The prior year finding, 2013-4, "Investments", was fully corrected during the current year.

CURRENT YEAR FINDINGS

2014-1
Grant Administration – From our audit of the various grant programs administered by Board departments, we found several instances where grant reimbursement requests were not submitted timely as provided in the individual grant agreements. This situation created both lost interest earnings opportunities for the County, as well as provided the possibility for a loss of funds due to expiration of grant periods. To avoid such occurrences in the future, we recommend that the Board

establish a centralized system to monitor grant financial activities, including reimbursement processes.

During the year, the County was awarded a state grant under the Small Counties Outreach Program for which it received $1,428,313 in grant funds. The terms of the grant agreement required a County in-kind match of 25%. We were not provided documentation of the full required match or where the State had accepted as fulfilled the match requirement for the project. We also found where approximately 20% of the reimbursed expenditures were expended on a road project not listed in the grant contract. We recommend that the County fully document grant expenditures and related in-kind matching expenditures to ensure full compliance with grant contracts.

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

2014-1

Disbursements – From our audit of expenditures, we found multiple instances in September, 2014 where checks were issued from the operating account without a signature authorizing payment. This likely was due to transition of the office's bookkeeper position and was not repeated subsequently.

TAX COLLECTOR

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(l)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2013.

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

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

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

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

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

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

POWELL & JONES
Certified Public Accountants
May 28, 2015

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, 2014. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Section 28.35, *Florida Statutes* as to the following during the fiscal year ended September 30, 2014:

a. The budget certified by the Florida Clerk of Courts Operations Corporation.

b. The performance standards developed and certified to Section 28.35 *Florida Statutes.*

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, 2014.

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

POWELL & JONES
Certified Public Accountants
May 28, 2015

CLERK OF THE CIRCUIT COURT

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

	PAGE NO.
Independent Auditor's Report	97 - 98
COMBINED FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types and Account Groups	100
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	101
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Special Revenue Funds	102
Notes to Financial Statements	103 - 107
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS	
GENERAL FUND	
Balance Sheet	110
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	111 - 113
SPECIAL REVENUE FUNDS	
Combining Balance Sheet	115
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	116
AGENCY FUNDS	
Combining Balance Sheet	118
Combining Statement of Changes in Assets and Liabilities	119 - 120
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*	122 - 123
Management Letter	124 - 125
Independent Accountant's Report	126

Powell & Jones
Certified Public Accountants

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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, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards,* issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

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

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

Opinion

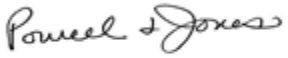
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Clerk of the Circuit Court, as of September 30, 2014, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 2, 2015, on our consideration of the Clerk of the Circuit Court' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk of the Circuit Court' internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
June 2, 2015

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT

COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 2014

	Governmental Fund Types		Fiduciary Fund Type	
	General Fund	Special Revenue Funds	Agency Funds	Totals
ASSETS				
Current assets				
Cash	$ 13,816	$ 517,119	$ 1,076,814	$ 1,607,749
Accounts receivable	302	-	13,562	13,864
Due from other funds	154,296	22,357	-	176,653
Due from other governmental units	38,819	-	-	38,819
Total assets	$ 207,233	$ 539,476	$ 1,090,376	$ 1,837,085
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Current liabilities				
Accounts payable	$ 3,529	$ 9,808	$ -	13,337
Due to individuals	-	-	347,989	347,989
Due to other funds	-	-	176,653	176,653
Due to Board of County Commissioners	74,789	-	57,936	132,725
Due to other governmental units	-	-	372,474	372,474
Deposits	-	-	92,942	92,942
Deferred revenue	128,915	-	-	128,915
Other current liabilities	-	-	42,382	42,382
Total liabilities	207,233	9,808	1,090,376	1,307,417
FUND BALANCES				
Restricted	-	525,779	-	525,779
Committed	-	3,889	-	3,889
Total fund balances	-	529,668	-	529,668
Total liabilities and fund balances	$ 207,233	$ 539,476	$ 1,090,376	$ 1,837,085

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, 2014

	General Fund	Special Revenue Funds	Totals
REVENUES			
Intergovernmental	$ 122,659	$ -	$ 122,659
Charges for services	1,214,066	115,088	1,329,154
Fines and forfeitures	513,194	131,025	644,219
Total revenues	1,849,919	246,113	2,096,032
EXPENDITURES			
Current expenditures			
General government	739,549	16,665	756,214
Court related	1,338,315	121,733	1,460,048
Total expenditures	2,077,864	138,398	2,216,262
Excess of revenues over (under) expenditures	(227,945)	107,715	(120,230)
OTHER FINANCING SOURCES			
Transfer from Board of County Commissioners	407,078	-	407,078
Transfer to state	(179,133)	-	(179,133)
Total other financing sources	227,945	-	227,945
Net change in fund balance	-	107,715	107,715
Fund balance at beginning of year	-	421,953	421,953
Fund balance at end of year	$ -	$ 529,668	$ 529,668

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, 2014

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	$ 113,705	$ 122,659	$ 8,954	$ -	$ -	$ -
Charges for services	1,654,000	1,214,066	(439,934)	95,000	115,088	20,088
Fines and forfeitures	-	513,194	513,194	110,000	131,025	21,025
Miscellaneous	-	-	-	-	-	-
Total revenues	1,767,705	1,849,919	82,214	205,000	246,113	41,113
EXPENDITURES						
Current expenditures						
General government	670,538	739,549	(69,011)	34,000	16,665	17,335
Court related	1,338,254	1,338,315	(61)	139,090	121,733	17,357
Capital outlay						
General government	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Total expenditures	2,008,792	2,077,864	(69,072)	173,090	138,398	34,692
Excess of revenues over (under) expenditures	(241,087)	(227,945)	13,142	31,910	107,715	75,805
OTHER FINANCING SOURCES (USES)						
Transfers from Board of County Commissioners	241,087	407,078	165,991		-	-
Transfers to state	-	(179,133)	(179,133)		-	-
Total other financing sources (uses)	241,087	227,945	(13,142)	-	-	-
Net change in fund balances	-	-	-	31,910	107,715	75,805
Fund balance at beginning of year	-	-	-	421,953	421,953	-
Fund balance at end of year	$ -	$ -	$ -	$ 453,863	$ 529,668	$ 75,805

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14,"establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

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

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

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

(i) **Governmental Fund**

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2014, the Clerk maintained the following Special Revenue Funds:

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

(ii) **Fiduciary Fund**

Agency Funds - Agency Funds are used to account for assets held by the Clerk as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve

measurement of results of operations. The following Agency Funds are maintained by the Clerk.

Trust
Employee Sunshine Fund
Domestic Relations
Jury and Witness
Public Defender Occupancy Trust

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

D. **Budget** - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the appropriations to the General Fund of the Clerk of the Circuit Court. The Clerk also initially prepares and appropriately amends internally the Clerk's General Fund budget.

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

E. **Cash and Investments** - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2014, the book balance of the Clerk's deposits was $1,607,749. The bank balance was $1,635,250. This bank balance was covered by federal depository insurance and pledged collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

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

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

H. **Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the

control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The remainder of the compensated absences liability, $106,134, 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, 2014 were as follows: Regular Employees 7.37%; Senior Management 21.14%; Elected Officials 43.24%, and employees electing the DROP Program 12.24%. 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, 2014, 2013 and 2012 were $169,037, $102,851, and $78,287, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2014, were:

	Interfund Receivables	Interfund Payables
General Fund	$ 154,296	$ -
Reserved 10% Fines	12,125	-
Public Records Modernization Trust	7,219	-
Teen Court	3,013	-
Trust	-	176,653
	$ 176,653	$ 176,653

NOTE 5. RELATED PARTY TRANSACTIONS

The Clerk's office utilizes a collection service in which a relative of the Clerk has a management position. The terms of the Office's agreement with the company are similar to those of other area Clerk's Offices. The company's compensation is based upon a percent of amount of delinquent accounts collected and is paid by delinquent account holders. The Clerk's Office makes no payments to the collection service. Compensation totaled approximately $46,819 for the year ended September 30, 2014 from a total of $124,199 in delinquent collections.

NOTE 6. LEASE COMMITMENTS

The Clerk has various leases for equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the total year totaled $66,278. Future minimum lease payments for these leases are as follows:

Year Ending September 30,	Minimum Lease Payments
2015	$ 63,915
2016	63,915
2017	62,663
2018	50,653
	$ 241,146

NOTE 7. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2014, 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, 2014:

	Classification					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Public Records Modernization Trust	$ -	$ 224,780	$ -	$ -	$ -	$ 224,780
Teen Court	-	-	3,889	-	-	3,889
Reserved 10% Fines	-	300,999	-	-	-	300,999
	$ -	$ 525,779	$ 3,889	$ -	$ -	$ 529,668

NOTE 8. 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, 2014

ASSETS	
Current assets	
Cash	$ 13,816
Accounts receivable	302
Due from other funds	154,296
Due from other governmental units	38,819
Total assets	$ 207,233
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Current liabilities	
Accounts payable	$ 3,529
Due to Board of County Commissioners	74,789
Deferred Revenue	128,915
Total liabilities	207,233
FUND BALANCE	
Unreserved	-
Total liabilities and fund balance	$ 207,233

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, 2014

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental revenue				
Federal grants				
IV - D grant	$ 86,708	$ 86,708	$ 95,662	$ 8,954
State grants				
State Court reimbursement	26,997	26,997	26,997	-
Total intergovernmental revenue	113,705	113,705	122,659	8,954
General government				
Charges for services				
Noncourt charges for services				
Recording	153,000	153,000	144,467	(8,533)
Documentary stamp commissions	9,500	8,500	8,574	74
Marriage licenses fees and charges	22,000	22,000	21,878	(122)
Passports	23,000	23,000	17,350	(5,650)
Copies	21,000	21,000	16,462	(4,538)
Other charges	10,500	10,500	10,600	100
Total general government	239,000	238,000	219,331	(18,669)
Court related				
Court related charges for services				
Circuit Criminal	95,000	95,000	44,694	(50,306)
Circuit Civil	210,000	210,000	88,879	(121,121)
County Criminal	190,000	190,000	203,000	13,000
County Civil	210,000	210,000	219,380	9,380
Traffic	650,000	650,000	374,396	(275,604)
Juvenile	1,000	1,000	1,761	761
Probate	60,000	60,000	62,625	2,625
Total court related charges for services	1,416,000	1,416,000	994,735	(421,265)
Fines and forfeitures				
Court related fines and forfeitures				
Circuit Criminal			57,055	57,055
Circuit Civil			-	-
County Criminal			139,470	139,470
County Civil			-	-
Traffic			316,669	316,669
Juvenile	-	-	-	-
Probate	-	-	-	-
Total court related fines and forfeitures	-	-	513,194	513,194
Total court related revenues	1,416,000	1,416,000	1,507,929	91,929
Total revenues	$ 1,768,705	$ 1,767,705	$ 1,849,919	$ 82,214

(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, 2014

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
EXPENDITURES				
Board of County Commissioners				
Personnel services	$ 344,030	$ 344,030	$ 347,333	$ (3,303)
Operating expenses	1,800	1,800	1,771	29
Capital outlay	-	-	-	-
Total Board of County Commissioners	345,830	345,830	349,104	(3,274)
Other general government				
Personnel services	248,070	248,070	297,955	(49,885)
Operating expenses	18,000	18,000	29,869	(11,869)
Capital outlay	-	-	-	-
Total other general government	266,070	266,070	327,824	(61,754)
Clerk administration				
Personnel services	276,289	276,289	277,651	(1,362)
Operating expenses	7,010	7,010	8,192	(1,182)
Capital outlay	-	-	-	-
Total Clerk administration	283,299	283,299	285,843	(2,544)
Court-related payments to State				
Budgeted payments	-	-	-	-
Total court-related payments to State	-	-	-	-
Jury Management				
Personnel services	1,947	1,947	635	1,312
Operating expenses	10,932	10,932	9,700	1,232
Capital outlay	-	-	-	-
Total jury management	12,879	12,879	10,335	2,544
Circuit Criminal				
Personnel services	222,532	222,532	221,051	1,481
Operating expenses	11,430	11,430	8,319	3,111
Capital outlay	-	-	-	-
Total circuit criminal	233,962	233,962	229,370	4,592
Circuit Civil				
Personnel services	101,194	101,194	104,133	(2,939)
Operating expenses	5,726	5,726	3,614	2,112
Capital outlay	-	-	-	-
Total circuit civil	106,920	106,920	107,747	(827)
Foreclosure				
Personnel services	26,997	26,997	26,997	-
Operating expenses	-	-	-	-
Capital outlay	-	-	-	-
Total foreclosure	26,997	26,997	26,997	-
Circuit Family				
Personnel services	66,178	66,178	74,485	(8,307)
Operating expenses	4,006	4,006	6,360	(2,354)
Capital outlay	-	-	-	-
Total circuit family	$ 70,184	$ 70,184	$ 80,845	$ (10,661)

(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, 2014

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
Circuit Juvenile				
Personnel services	$ 62,859	$ 62,859	$ 64,100	$ (1,241)
Operating expenses	3,266	3,266	1,487	1,779
Capital outlay	-	-	-	-
Total circuit juvenile	66,125	66,125	65,587	538
Circuit Probate				
Personnel services	35,508	35,508	35,487	21
Operating expenses	2,177	2,177	1,169	1,008
Capital outlay	-	-	-	-
Total circuit probate	37,685	37,685	36,656	1,029
Information Technology				
Personnel services	57,638	57,638	61,450	(3,812)
Operating expenses	1,000	1,000	1,171	(171)
Capital outlay	57,638	-	-	-
Total information technology	58,638	58,638	62,621	(3,983)
County Criminal				
Personnel services	198,685	198,685	196,932	1,753
Operating expenses	11,430	11,430	10,039	1,391
Capital outlay	-	-	-	-
Total county criminal	210,115	210,115	206,971	3,144
County Civil				
Personnel services	92,575	92,575	95,764	(3,189)
Operating expenses	4,615	4,615	2,374	2,241
Capital outlay	-	-	-	-
Total county civil	97,190	97,190	98,138	(948)
County Traffic				
Personnel services	183,645	183,645	182,847	798
Operating services	9,253	9,253	6,979	2,274
Capital outlay	-	-	-	-
Total county traffic	192,898	192,898	189,826	3,072
Total expenditures	2,008,792	2,008,792	2,077,864	(69,072)
Excess of revenues over (under) expenditures	(240,087)	(241,087)	(227,945)	13,142
Other financing sources (uses)				
Transfers from Board of County Commissioners	240,087	241,087	407,078	165,991
Transfers to State	-	-	(179,133)	(179,133)
Total other financing sources	240,087	241,087	227,945	(13,142)
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	$ -	$ -	$ -	$ -

See notes to financial statements.

SPECIAL REVENUE FUNDS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

September 30, 2014

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
ASSETS				
Current assets				
Cash	$ 225,929	$ 2,316	$ 288,874	$ 517,119
Due from other funds	7,219	3,013	12,125	22,357
Total assets	$ 233,148	$ 5,329	$ 300,999	$ 539,476
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Current liabilities				
Accounts payable	$ 8,368	$ 1,440	$ -	$ 9,808
Total liabilities	8,368	1,440	-	9,808
FUND BALANCES				
Restricted	224,780	-	300,999	525,779
Committed	-	3,889	-	3,889
Total fund balances	224,780	3,889	300,999	529,668
Total liabilities and fund balances	$ 233,148	$ 5,329	$ 300,999	$ 539,476

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2014

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
REVENUES				
Charges for services				
General Government				
Recording of legal instruments	$ 83,687	$ -	$ -	$ 83,687
Court related	-	31,401	-	31,401
Fines and forfeitures	-	-	131,025	131,025
Total revenues	83,687	31,401	131,025	246,113
EXPENDITURES				
General Government				
Financial and administrative				
Operating expenses	16,665	-	-	16,665
Total general government	16,665	-	-	16,665
Court related				
Judicial				
Personnel services	-	-	35,451	35,451
Operating expenses	34,227	26,258	25,797	86,282
Total court related	34,227	26,258	61,248	121,733
Total expenditures	50,892	26,258	61,248	138,398
Excess of revenues over (under) expenditures	32,795	5,143	69,777	107,715
Net change in fund balances	32,795	5,143	69,777	107,715
Fund balances at beginning of year	191,985	(1,254)	231,222	421,953
Fund balances at end of year	$ 224,780	$ 3,889	$ 300,999	$ 529,668

See notes to financial statements.

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2014

	Clerk Trust	Employee Sunshine	Domestic Relations	Jury and Witness	Public Defender Occupancy Trust	Totals
ASSETS						
Cash	$ 1,043,511	$ 613	$ 1,544	$ 8,113	$ 23,033	$ 1,076,814
Accounts receivable	13,562	-	-	-	-	13,562
Total assets	$ 1,057,073	$ 613	$ 1,544	$ 8,113	$ 23,033	$ 1,090,376
LIABILITIES						
Due to individuals	$ 339,876	$ -	$ -	$ 8,113	$ -	$ 347,989
Due to other funds	176,653	-	-	-	-	176,653
Due to Board of County Commissioners	57,936	-	-	-	-	57,936
Due to other governmental units	370,930	-	1,544	-	-	372,474
Deposits	92,942	-	-	-	-	92,942
Other current liabilities	18,736	613	-	-	23,033	42,382
Total liabilities	$ 1,057,073	$ 613	$ 1,544	$ 8,113	$ 23,033	$ 1,090,376

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, 2014

	Balance October 1, 2013	Additions	Deductions	Balance September 30, 2014
TRUST FUND				
Assets				
Cash	$ 1,040,455	$ 9,719,947	$ 9,716,891	$ 1,043,511
Accounts receivable	13,460	6,253	6,151	13,562
Due from other funds	117	-	117	-
Due from other governmental units	-	-	-	-
Total assets	$ 1,054,032	$ 9,726,200	$ 9,723,159	$ 1,057,073
Liabilities				
Due to individuals	$ 449,752	$ 3,120,029	$ 3,229,905	$ 339,876
Due to other funds	153,310	1,983,068	1,959,725	176,653
Due to Board of County Commissioners	44,403	697,829	684,296	57,936
Due to other governmental units	311,774	3,752,704	3,693,548	370,930
Deposits	77,387	216,379	200,824	92,942
Other current liabilities	17,406	12,195	10,865	18,736
Total liabilities	$ 1,054,032	$ 9,782,204	$ 9,779,163	$ 1,057,073
EMPLOYEE SUNSHINE FUND				
Assets				
Cash	$ 404	$ 1,949	$ 1,740	$ 613
Due from other funds	-			
Total assets	$ 404	$ 1,949	$ 1,740	$ 613
Liabilities				
Other current liability	$ 404	$ 1,949	$ 1,740	$ 613
Total liabilities	$ 404	$ 1,949	$ 1,740	$ 613
DOMESTIC RELATIONS FUND				
Assets				
Cash	$ 1,586	$ 20,202	$ 20,244	$ 1,544
Due from individuals	-	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 1,586	$ 20,202	$ 20,244	$ 1,544
Liabilities				
Due to other governmental units	$ 1,586	$ 19,048	$ 19,090	$ 1,544
Due to other funds	-	-	-	-
Deposits payable	-	-	-	-
Total liabilities	$ 1,586	$ 19,048	$ 19,090	$ 1,544
JURY AND WITNESS FUND				
Assets				
Cash	$ 7,463	$ 13,650	$ 13,000	$ 8,113
Due from other funds	-	-	-	
Accounts receivable	(120)			
Due from other governmental units	-	-	-	-
Total assets	$ 7,463	$ 13,650	$ 13,000	$ 8,113
Liabilities				
Due to individuals	$ 7,463	$ 13,650	$ 13,000	$ 8,113
Due to other funds	-	-	-	-
Due to other governmental units	-	-	-	-
Total liabilities	$ 7,463	$ 13,650	$ 13,000	$ 8,113

(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, 2014

	Balance October 1, 2013	Additions	Deductions	Balance September 30, 2014
PUBLIC DEFENDER				
OCCUPANCY TRUST FUND				
Assets				
Cash	$ 20,389	$ 66,042	$ 63,398	$ 23,033
Total assets	$ 20,389	$ 66,042	$ 63,398	$ 23,033
Liabilities				
Other current liabilities	$ 20,389	$ 66,042	$ 63,398	$ 23,033
Total liabilities	$ 20,389	$ 66,042	$ 63,398	$ 23,033
TOTALS - ALL FUNDS				
Assets				
Cash	$ 1,070,297	$ 9,821,790	$ 9,815,273	$ 1,076,814
Accounts receivable	13,460	6,253	6,151	13,562
Due from other funds	117	-	117	-
Total assets	$ 1,083,874	$ 9,828,043	$ 9,821,541	$ 1,090,376
Liabilities				
Due to individuals	$ 457,215	$ 3,133,679	$ 3,242,864	$ 348,030
Due to other funds	153,310	1,983,068	1,959,725	176,653
Due to Board of County Commissioners	44,403	697,829	684,296	57,936
Due to other governmental units	313,360	3,771,752	3,712,638	372,474
Deposits	77,387	216,379	200,824	92,942
Other current liabilities	38,199	80,186	76,003	42,382
Total liabilities	$ 1,083,874	$ 9,882,893	$ 9,876,350	$ 1,090,417

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, 2014, and the related notes to the financial statements, which collectively comprise the Columbia County Clerk of the Circuit Court' basic financial statements, and have issued our report thereon dated June 2, 2015.

Internal Control Over Financial Reporting

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

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

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

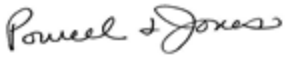
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Columbia County Clerk of the Circuit Courts' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



POWELL & JONES
Certified Public Accountants
June 2, 2015

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, 2014, and have issued our report thereon dated June 2, 2015. 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, 2014. The financial statements of the Clerk of the Circuit Court are combined with other County agencies in this report.`

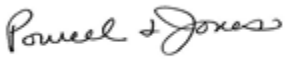
Financial Emergency Status – We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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



POWELL & JONES
Certified Public Accountants
June 2, 2015

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, 2014. We have also examined the Clerk's compliance with Section 28.35 and 28.36, *Florida Statutes* as to the following during the fiscal year ended September 30, 2014:

a. The budget certified by the Florida Clerk of Courts Operations Corporation.

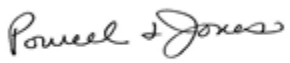
b. The performance standards developed and certified to Section 28.35 *Florida Statutes.*

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 examianations 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, 2014.

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
June 2, 2015

PROPERTY APPRAISER

COLUMBIA COUNTY, FLORIDA

PROPERTY APPRAISER

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

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

	PAGE NO.
Independent Auditor's Report	129 - 130
FINANCIAL STATEMENTS	
General Fund	
Balance Sheet	132
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	133
Notes to Financial Statements	134 - 136
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*	138 - 139
Management Letter	140 - 141
Independent Accountant's Report	142

Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
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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, 2014, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

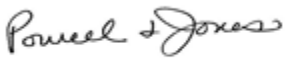
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes,* and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits.* As described in Note 1 to the financial statements, the Property Appraiser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

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Property Appraiser, as of September 30, 2014, 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 May 7, 2015, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
May 7, 2015

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

PROPERTY APPRAISER
GENERAL FUND
BALANCE SHEET
September 30, 2014

ASSETS		
Cash	**$**	**30,156**
Total assets	**$**	**30,156**
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Current liabilities		
Due to Board of County Commissioners	**$**	**26,850**
Due to other governmental units		**3,306**
Total liabilities and fund balance	**$**	**30,156**

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, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
General government				
County officer fees				
Lake Shore Hospital Authority	$ 65,403	$ 65,403	$ 65,403	$ -
Suwannee River Water Management District	28,167	28,167	28,167	-
Total charges for services	93,570	93,570	93,570	-
Miscellaneous				
Interest earnings	-	-	92	92
Other miscellaneous	-	-	3,259	3,259
Total miscellaneous	-	-	3,351	3,351
Total revenues	93,570	93,570	96,921	3,351
EXPENDITURES				
General government				
Financial and administrative				
Personal services	1,076,757	1,118,050	1,115,954	2,096
Operating expenses	179,625	176,917	146,079	30,838
Capital outlay	-	2,708	2,708	-
Total expenditures	1,256,382	1,297,675	1,264,741	32,934
Excess of revenues over (under) expenditures	(1,162,812)	(1,204,105)	(1,167,820)	36,285
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	1,162,812	1,204,105	1,167,820	(36,285)
Net change in fund balance	-	-		-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

See notes to financial statements.

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, 2014, the book balance of the Property Appraiser's deposits was $30,156. The total bank balance was covered by federal depository insurance.

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

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

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

In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the Board of County Commissioners fund that will pay for them. The remainder of the compensated absences liability, totaling $112,777, is reported in the General Long-Term Debt Accounts of Columbia County.

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

J. Risk Management - The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others.

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

NOTE 3. PENSION PLAN

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

Funding Policy - The System is employee non-contributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The rates at September 30, 2014 were as follows: Regular Employees 7.37%; Senior Management 21.14%; Elected Officials 43.24% and Deferred Retirement Option Program (DROP) 12.28%. 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, 2014, 2013 and 2012 were $93,165, $55,275, and $47,015, respectively equal to the required contributions for each year.

NOTE 4. OPERATING LEASE

The Property Appraiser has an operating lease with Pitney Bowes for a postage meter. The agreement is being paid in sixteen quarterly installments of $330. Future minimum lease payments are as follows:

Year Ending September 30	
2015	$ 1,320
2016	1,320
2017	1,320
2018	990
	$ 4,950

The Property Appraiser has an operating lease with GE Capital dated September 25, 2013 for a copier. The agreement is being made in 60 monthly installments of $273. Future minimum lease payments are as follows:

Year Ending September 30	
2015	$ 3,276
2016	3,276
2017	3,276
2018	3,276
	$ 13,104

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, 2014, and the related notes to the financial statements, which collectively comprise the Columbia County Property Appraiser's basic financial statements, and have issued our report thereon dated May 7, 2015.

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.

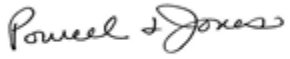
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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
May 7, 2015

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, 2014, and have issued our report thereon dated May 7, 2015.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 7, 2015. 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, 2014. The financial statements of the Property Appraiser are combined with other County agencies in this report.

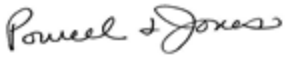
Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

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

CONCLUSION

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



POWELL & JONES
Certified Public Accountants
May 7, 2015

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, 2014. 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 examianation 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, 2014.

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

POWELL & JONES
Certified Public Accountants
May 7, 2015

SHERIFF

COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

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

	PAGE NO.
Independent Auditor's Report	146 - 147
COMBINED FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types	149
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	150
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types	151
Notes to Financial Statements	152 - 153
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS	
GENERAL FUND	
Balance Sheet	159
Statement of Revenues, Expenditures and Changes In Fund Balance - Budget and Actual	160 - 161
SPECIAL REVENUE FUNDS	
Combining Balance Sheet	164
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	165
AGENCY FUNDS	
Combining Balance Sheet	167

COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

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

	PAGE NO.
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*	169 - 170
Management Letter	171 - 172
Independent Accountant's Report	173

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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, 2014, 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

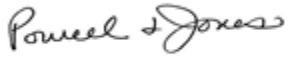
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Sheriff, as of September 30, 2014, and the results of its operations and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 19, 2015, on our consideration of the Sheriff' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
May 19, 2015

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

SHERIFF

COMBINED BALANCE SHEET
ALL FUND TYPES

September 30, 2014

	Governmental Funds		Fiduciary Fund Types	
	General Fund	Special Revenue Funds	Agency Funds	Totals
ASSETS				
Current assets				
Cash	$ 831,404	$ 782,213	$ 458,193	$ 2,071,810
Accounts receivable	4,931	-	470,028	474,959
Due from other governmental units	19,237	-	-	19,237
Total assets	$ 855,572	$ 782,213	$ 928,221	$ 2,566,006
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	$ 110,547	$ 26,219	$ -	$ 136,766
Accrued liabilities	604,776	-	-	604,776
Due to individuals	-	-	4,788	4,788
Due to Board of County Commissioners	140,249	-	8,024	148,273
Deferred revenue	-	-	-	-
Other current liabilities	-	-	915,409	915,409
Total current liabilities	855,572	26,219	928,221	1,810,012
FUND BALANCES				
Fund balances restricted	-	755,994	-	755,994
Total liabilities and fund balances	$ 855,572	$ 782,213	$ 928,221	$ 2,566,006

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, 2014

	General Fund	Special Revenue Funds	Totals
REVENUES			
Intergovernmental	$ 54,782	$ 5,250	$ 60,032
Charges for services	136,630	-	136,630
Fines and forfeitures	-	105,164	105,164
Miscellaneous	95,281	179,082	274,363
Total revenues	286,693	289,496	576,189
EXPENDITURES			
Current expenditures			
Public safety	12,427,881	128,636	12,556,517
Capital outlay			
Public safety	361,956	51,937	413,893
Total expenditures	12,789,837	180,573	12,970,410
Excess of revenues over (under) expenditures	(12,503,144)	108,923	(12,394,221)
Other Financing Sources			
Transfers from Board of County Commissioners	12,503,144	-	12,503,144
Total other financing sources	12,503,144	-	12,503,144
Net change in fund balances	-	108,923	108,923
Fund balances at beginning of year	-	647,071	647,071
Fund balances at end of year	$ -	$ 755,994	$ 755,994

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, 2014

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	$ -	$ 54,782	$ 54,782	$ 5,250	$ 5,250	$ -
Charges for services	-	136,630	136,630	-	-	-
Fines and forfeitures	-	-	-	105,164	105,164	-
Miscellaneous	-	95,281	95,281	179,082	179,082	-
Total revenue	-	286,693	286,693	289,496	289,496	-
EXPENDITURES						
Current expenditures						
Public safety	12,317,839	12,427,881	(110,042)	128,636	128,636	-
Capital outlay						
Public safety	304,500	361,956	(57,456)	51,937	51,937	-
Total expenditures	12,622,339	12,789,837	(167,498)	180,573	180,573	-
Excess of revenues over (under) expenditures	(12,622,339)	(12,503,144)	119,195	108,923	108,923	-
Other Financing Sources						
Transfers from Board of County Commissioners	12,622,339	12,503,144	(119,195)	-	-	-
Total other financing sources	12,622,339	12,503,144	(119,195)	-	-	-
Net change in fund balances	-	-	-	108,923	108,923	-
Fund balances at beginning of year	-	-	-	647,071	647,071	-
Fund balances at end of year	$ -	$ -	$ -	$ 755,994	$ 755,994	$ -

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

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, 2014, the Sheriff maintained the following Special Revenue Funds:

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

(ii) **Fiduciary Funds**

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

Inmate Trust
Individual Depositors Trust
Evidence Trust
Donations Trust

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

D. **Budget -** Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget.

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

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

At September 30, 2014, the book balance of the Sheriff's deposits were $2,071,810. The bank balances were $2,355,772. 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 1	Category 2	Category 3	Bank Balance
Eligible collateral	$ -	$ 1,559,693	$ -	$ 1,559,693
FDIC Insurance	512,117	-	-	512,117
Total deposits	$ 512,117	$ 1,559,693	$ -	$ 2,071,810

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 $1,009,343, 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 10/01/13	Donations & Other	Additions	Deletions	Balance 09/30/14
Equipment	$ 7,097,309	$ -	$ 413,893	$ (276,301)	$ 7,234,901

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, 2014 were as follows: Regular Employees 6.95%; Special Risk Employees 22.06%; Senior Management 21.31%; Elected Officials 36.03%, and employees electing the DROP program 12.84%. The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2014, 2013 and 2012 were $1,099,966, $894,759, and $798,316, respectively, which are equal to the required contributions for each year.

NOTE 4. CONTINGENT LIABILITIES

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

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

NOTE 5. RISK MANAGEMENT

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

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

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

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

NOTE 6. DEFERRED REVENUE

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

NOTE 7. OPERATING LEASES

The Sheriff has several operating lease agreements for property and equipment with

noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled $57,296. The future minimum payments under these leases at September 30, 2014, are as follows:

Year Ending September 30	Minimum Lease Payment
2015	$ 31,883
2016	21,833
2017	10,662
2018	438
	$ 64,816

NOTE 8. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2014, 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, 2014:

	Classification					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Special Revenue Funds						
Minimum Standards School	$ -	$ 25,578	$ -	$ -	$ -	$ 25,578
Forfeiture	-	23,372	-	-	-	23,372
Inmate Welfare	-	358,868	-	-	-	358,868
Forfeiture Nongrant	-	342,042	-	-	-	342,042
Work Program	-	6,134	-	-	-	6,134
	$ -	$ 755,994	$ -	$ -	$ -	$ 755,994

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

GENERAL FUND
BALANCE SHEET

September 30, 2014

ASSETS		
Current assets		
Cash	$	831,404
Accounts receivable		4,931
Due from other governmental units		19,237
Total assets	$	855,572
LIABILITIES		
Liabilities		
Accounts payable	$	110,547
Accrued liabilities		604,776
Due to Board of County Commissioners		140,249
Total liabilities	$	855,572

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental revenue				
Federal grants				
E. Byrne Memorial	$ -	$ -	$ 54,782	$ 54,782
Charges for Services				
Public safety				
Police services	-	-	136,630	136,630
Miscellaneous				
Other	-	-	95,281	95,281
Total revenue	-	-	286,693	286,693
EXPENDITURES				
Administration				
Personnel services	910,809	940,867	920,541	20,326
Operating expenses	168,378	207,178	264,148	(56,970)
Capital outlay	-	3,000	3,000	-
Total administration	1,079,187	1,151,045	1,187,689	(36,644)
Road Patrol				
Personnel services	2,472,441	2,680,562	2,653,624	26,938
Operating expenses	709,554	691,031	691,031	-
Capital outlay	125,000	124,310	124,310	-
Total road patrol	3,306,995	3,495,903	3,468,965	26,938
Detective				
Personnel services	891,814	910,237	910,237	-
Operating expenses	159,618	180,689	180,689	-
Capital outlay	-	9,608	53,764	(44,156)
Total detective	1,051,432	1,100,534	1,144,690	(44,156)
Civil				
Personnel services	317,060	324,864	324,864	-
Operating expenses	77,677	58,058	58,058	-
Capital outlay	-	-	-	-
Total civil	394,737	382,922	382,922	-
Records Evidence				
Personnel services	203,455	214,965	214,965	-
Operating expenses	21,686	22,864	22,864	-
Capital outlay	-	-	-	-
Total records evidence	$ 225,141	$ 237,829	$ 237,829	$ -

(Continued)

COLUMBIA COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Communications				
Operating expenses	$ -	$ 17,371	$ 17,371	$ -
Corrections				
Personnel services	2,894,660	2,737,858	2,752,807	(14,949)
Operating expenses	1,099,932	1,205,932	1,237,969	(32,037)
Capital outlay	30,000	27,000	26,920	80
Total corrections	4,024,592	3,970,790	4,017,696	(46,906)
Sheriff Task Force				
Personnel services	259,694	257,625	280,102	(22,477)
Operating expenses	87,074	36,942	89,193	(52,251)
Capital outlay	-	-	-	-
Total Sheriff Task Force	346,768	294,567	369,295	(74,728)
Community Affairs				
Personnel services	560,205	587,309	587,309	-
Operating expenses	107,666	105,867	105,867	-
Capital outlay	-	-	-	-
Total community affairs	667,871	693,176	693,176	-
Bullet Proof Vest				
Operating expenses	-	-	7,602	(7,602)
Information Technology				
Operating expenses	97,437	104,837	104,837	-
Capital outlay	128,000	138,082	138,082	-
Total Information Technology	225,437	242,919	242,919	-
JAG Equipment Grant				
Operating expenses	-	-	9,595	(9,595)
Capital outlay	-	-	3,821	(3,821)
Total JAG equipment grant	-	-	13,416	(13,416)
JAG Grant				
Personnel services	-	-	24,118	(24,118)
Operating expenses	-	-	-	-
Capital outlay	-	-	9,645	(9,645)
Total JAG grant	-	-	33,763	(33,763)
Courts Judicial				
Personnel services	720,720	744,941	692,312	52,629
Operating expenses	112,361	109,861	99,796	10,065
Capital outlay	-	2,500	2,414	86
Total court judicial	833,081	857,302	794,522	62,780

(continued)

COLUMBIA COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
WARRANTS				
Personnel services	-	171,729	171,729	-
Operating expenses	-	6,253	6,253	-
Total Stop	$ -	$ 177,982	$ 177,982	$ -
Total expenditures	12,155,241	12,622,339	12,789,837	(167,497)
Excess of revenues over (under) expenditures	(12,155,241)	(12,622,339)	(12,503,144)	119,195
Other financing sources				
Transfers from the Board of County Commissioners	12,155,241	12,622,339	12,503,144	(119,195)
Total other financing sources	12,155,241	12,622,339	12,503,144	(119,195)
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	$ -	$ -	$ -	$ -

See notes to financial statements.

SPECIAL REVENUE FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2014

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Region 2 Strike Force	Totals
ASSETS							
Current Assets							
Cash	$ 25,578	$ 49,591	$ 358,868	$ 342,042	$ 6,134	$ -	$ 782,213
Due from other governments	-	-	-	-	-	-	-
Total current assets	$ 25,578	$ 49,591	$ 358,868	$ 342,042	$ 6,134	$ -	$ 782,213
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ 26,219	$ -	$ -	$ -	$ -	$ 26,219
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	-	26,219	-	-	-	-	26,219
FUND BALANCES - Restricted	25,578	23,372	358,868	342,042	6,134	-	755,994
Total liabilities and fund balances	$ 25,578	$ 49,591	$ 358,868	$ 342,042	$ 6,134	$ -	$ 782,213

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, 2014

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Region 2 Strike Force	Totals
Detention and correction							
Personnel services	$ -	$ -	$ 11,991	$ -	$ -	$ -	$ 11,991
Operating expenses	-	-	73,139	-	-	-	73,139
Capital outlay	-	-	4,377	-	-	-	4,377
Total detention and correction	-	-	89,507	-	-	-	89,507
Total expenditures	9,709	49,302	89,507	29,000	3,055	-	180,573
Excess of revenues over (under) expenditures	10,400	(27,628)	71,255	56,194	(1,298)	-	108,923
Net change in fund balances	10,400	(27,628)	71,255	56,194	(1,298)	-	108,923
Fund balances beginning of year	15,178	51,000	287,613	285,848	7,432	-	647,071
Fund balances end of year	$ 25,578	$ 23,372	$ 358,868	$ 342,042	$ 6,134	$ -	$ 755,994

See notes to financial statements.

AGENCY FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2014

	Inmate Trust	Individual Depositors	Evidence Trust	Donations Trust	Totals
ASSETS					
Current assets					
Cash	$ 376,943	$ 8,024	$ 61,109	$ 12,117	$ 458,193
Accounts receivable	470,028	-	-	-	470,028
Total current assets	$ 846,971	$ 8,024	$ 61,109	$ 12,117	$ 928,221
LIABILITIES					
Current liabilities					
Due to individuals	$ 4,788	$ -	$ -	$ -	$ 4,788
Due to Board of County Commissioners	-	8,024	-	-	8,024
Other current liabilities	842,183	-	61,109	12,117	915,409
Total current liabilities	$ 846,971	$ 8,024	$ 61,109	$ 12,117	$ 928,221

See notes to financial statements.

COMPLIANCE SECTION

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

To the Sheriff
Columbia County, Florida

We have audited, 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, 2014, 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 May 19, 2015.

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.

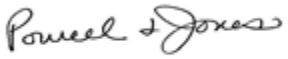
Compliance and Other Matters

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.



POWELL & JONES
Certified Public Accountants
May 19, 2015

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, 2014, and have issued our report thereon dated May 19, 2015.

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

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

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

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

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Report of Units of Local Government - The financial report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is an agreement with the audited special purpose fund financial statements of Columbia County, Florida, for the year ended September 30, 2014. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

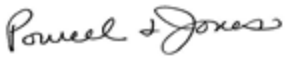
Financial Emergency Status – We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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

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

CONCLUSION

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



POWELL & JONES
Certified Public Accountants
May 19, 2015

INDEPENDENT ACCOUNTANT'S REPORT

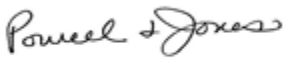
To The Sheriff
Columbia County, Florida

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, 2014. 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 examianation 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, 2014.

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
May 19, 2015

SUPERVISOR OF ELECTIONS

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

	PAGE NO.
Independent Auditor's Report	176 - 177
FINANCIAL STATEMENTS	
General Fund Balance Sheet	179
General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	180
Notes to Financial Statements	181 - 183
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*	185 - 186
Management Letter	187 - 188
Independent Accountant's Report	189

Powell & Jones
Certified Public Accountants

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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, 2014, 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.

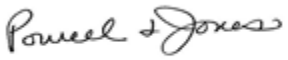
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes,* and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits.* As described in Note 1 to the financial statements, the Supervisor of 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, 2014, 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 June 17, 2015, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
June 17, 2015

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
GENERAL FUND
BALANCE SHEET
September 30, 2014

ASSETS		
Current Assets		
Cash	**$**	**10,564**
Prepaid expense		**37,383**
Total assets	**$**	**47,947**

LIABILITIES AND FUND BALANCE		
LIABILITIES		
Current Liabilities		
Accounts payable	**$**	**1,619**
Deferred revenue		**9,350**
Due to Board of County Commissioners		**36,978**
Total liabilities		**47,947**
FUND BALANCE		**-**
Total liabilities and fund balance	**$**	**47,947**

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, 2014

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental			
Federal grants			
Voter education	$ -	$ 8,720	$ 8,720
Total intergovernmental	-	8,720	8,720
Miscellaneous			
Other	-	5,472	5,472
Total miscellaneous	-	5,472	5,472
Total revenues	-	14,192	14,192
EXPENDITURES			
General government			
Other general government			
Supervisor of Elections			
Personnel services	317,370	400,512	(83,142)
Operating expenses	10,400	115,993	(105,593)
Total Supervisor of Elections	327,770	516,505	(188,735)
Elections			
Personnel services	160,000	28,500	131,500
Operating expenses	138,315	131,804	6,511
Total elections	298,315	160,304	138,011
Total general government	626,085	676,809	(50,724)
Excess of revenues over (under) expenditures	(626,085)	(662,617)	(36,532)
OTHER FINANCING SOURCES			
Transfers in from Board of County Commissioners	626,085	699,595	73,510
Transfers out to Board of County Commissioners	-	(36,978)	(36,978)
Total other financing sources	626,085	662,617	36,532
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

SUPERVISOR OF ELECTIONS

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

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

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

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

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

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

The Supervisor of Elections reports deferred revenue, if applicable, on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and

"available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

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

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

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2014, the book balance of the Supervisor of Elections' deposits was $10,564. 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 $15,397, 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, 2014, were as follows: Regular Employees 6.95%; Senior Management 18.31%; Elected Officials 33.03%, and employees electing the DROP Program 12.84%. The contribution requirements of plan members and the Supervisor of Elections are established and may be amended by the Florida Legislature. The Supervisor of Elections' contributions to the System for the years ending September 30, 2014, 2013 and 2012 were $52,521, $24,706, and $21,364, respectively, equal to the required contributions for each year.

NOTE 3. OPERATING LEASE PAYABLE

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

Year Ending September 30,	
2015	$ 4,561
2016	1,899
	$ 6,460

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, 2014, 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 June 17, 2015.

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.

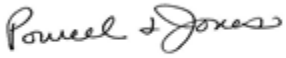
Compliance and Other Matters

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.



POWELL & JONES
Certified Public Accountants
June 17, 2015

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, 2014, and have issued our report thereon dated June 17, 2015.

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 June 17, 2015. 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

2014-1 Disbursements - From our audit of expenditures, we found multiple instances in September, 2014 where checks were issued from the operating account without a signature authorizing payment. This likely was due to transition of the office's bookkeeper position and was not repeated subsequently.

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, 2014. The financial statements of the Supervisor of Elections are combined with other County agencies in this report.

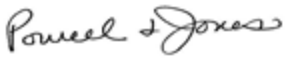
Financial Emergency Status – We have determined that the Supervisor of Elections did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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.



POWELL & JONES
Certified Public Accountants
June 17, 2015

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, 2014. 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 examianation 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, 2014.

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

POWELL & JONES
Certified Public Accountants
June 17, 2015

TAX COLLECTOR

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2014

TABLE OF CONTENTS

	PAGE NO.
Independent Auditor's Report	192 - 193
COMBINED FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund types	195
General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	196 - 197
Notes to Financial Statements	198 - 201
COMBINING FUND STATEMENTS	
AGENCY FUNDS	
Combining Balance Sheet	204
Combining Statement of Changes in Assets and Liabilities	205 - 206
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*	208 - 209
Management Letter	210 - 211
Independent Accountant's Report	212

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, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

Opinion

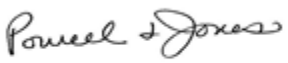
In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Tax Collector, as of September 30, 2014, and the respective changes in financial position and budgetary comparisons and, where applicable, 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 May 11, 2015, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Archer's internal control over financial reporting and compliance.

Other Information

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



POWELL & JONES
Certified Public Accounts
May 11, 2015

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR
COMBINED BALANCE SHEET – ALL FUND TYPES
September 30, 2014

	Governmental Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Agency Funds	
ASSETS			
Current assets			
Cash	$ 302,262	$ 2,344,263	$ 2,646,525
Accounts receivable	-	460	460
Due from other funds	51,914	-	51,914
Due from other governmental units	2,240	-	2,240
Total assets	$ 356,416	$ 2,344,723	$ 2,701,139
LIABILITIES			
Current liabilities			
Accounts payable	$ 7,667	$ 17,794	$ 25,461
Due to individuals	-	153,699	153,699
Due to other funds	-	51,914	51,914
Due to Board of County Commissioners	298,411	-	298,411
Due to other governmental units	16,718	1,987,274	2,003,992
Accrued payroll deductions and matching	33,620	-	33,620
Other current liabilities	-	134,042	134,042
Total liabilities	$ 356,416	$ 2,344,723	$ 2,701,139

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, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
County Officer commissions and fees				
Professional and occupational licenses	$ -	$ -	$ 15,519	$ 15,519
Motor vehicle fees	438,208	450,913	357,131	(93,782)
Drivers license fees	130,203	130,203	130,203	-
Other licenses and permits	-	-	4,488	4,488
State commissions	-	-	1,590	1,590
County commissions	748,906	748,906	450,495	(298,411)
Tax commissions				
Columbia County Industrial Development Authority	10	10	10	-
Suwannee Water Management District	19,212	19,212	15,965	(3,247)
Lake Shore Hospital Authority	44,660	44,660	37,112	(7,548)
Delinquent tax commissions	-	-	263,830	263,830
Special assessment commissions	183,720	183,720	177,796	(5,925)
Special assessment administrative fees	-	-	88,939	88,939
Total charges for services	1,564,919	1,577,624	1,543,078	(34,547)
Miscellaneous				
Interest earnings	-	-	415	415
Other miscellaneous	-	-	6,035	6,035
Total miscellaneous	-	-	6,450	6,450
Total revenues	1,564,919	1,577,624	1,549,528	(28,097)
EXPENDITURES				
General government				
Personnel services	1,328,553	1,342,663	1,341,238	1,425
Operating expenses	236,366	232,013	205,342	26,671
Capital outlay	-	2,948	2,948	-
Total expenditures	1,564,919	1,577,624	1,549,528	28,096

(Continued)
(continued)

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Excess of revenues over (under) expenditures	-	-	-	-
	-	-	-	-
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, 2014

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, 2014, the book balance of the Tax Collector's deposits was $2,642,239. Of this balance, $250,000 was covered by federal depository insurance, and $2,392,239 was covered by pledged collateral. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

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

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

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

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation has been provided on the County's equipment on the straight-line basis over three to twelve years. Assets purchased by the Tax Collector are reported in the Board of County 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 $171,317 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, 2014 were as follows: Regular Employees 7.37%; Senior Management 21.14%; Elected Officials 43.24%; Deferred Retirement Option Program (DROP) 12.28%. The contribution requirements of plan members and

the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2014, 2013 and 2012 were $131,853, $72,734, and $56,116, respectively, equal to the required contributions for each year.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2014, were:

	Interfund Receivable	Interfund Payable
General Fund	$ 51,914	$ -
Ad Valorem Tax Fund	-	51,914
	$ 51,914	$ 51,914

NOTE 4. OPERATING LEASES

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

September 30,	
2015	$ 4,388
2016	2,194
	$ 6,582

The Tax Collector has an operating lease with Mailfinance for a mail machine with scale. The agreement is being paid in 12 monthly installments of $139. Future minimum lease payments are as follows;

September 30,	
2015	$ 1,673
2016	1,673
2017	1,673
2018	1,673
2019	1,674
	$ 8,366

COMBINING FUND STATEMENTS

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

AGENCY FUNDS

COMBINING BALANCE SHEET

September 30, 2014

	Ad Valorem Tax Fund	Tag Agency Fund	Totals
ASSETS			
Cash	$ 2,124,091	$ 220,172	$ 2,344,263
Accounts receivable	-	460	460
Total assets	$ 2,124,091	$ 220,632	$ 2,344,723
LIABILITIES			
Accounts payable	$ 200	$ 17,594	$ 17,794
Due to individuals	153,699	-	153,699
Due to other funds	51,914	-	51,914
Due to other governmental units	1,790,304	196,970	1,987,274
Interest payable	2,957	243	3,200
Occupational licenses payable	70,712	-	70,712
Escrow funds payable	23,830	-	23,830
Other current liabilities	30,475	5,825	36,300
Total liabilities	$ 2,124,091	$ 220,632	$ 2,344,723

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ending September 30, 2014

	Balance October 1, 2013	Additions	Deductions	Balance September 30, 2014
TAG AGENCY FUND				
Assets				
Cash	$ 215,944	$ 8,432,066	$ 8,427,838	$ 220,172
Dishonored checks receivable	752	18,006	18,298	460
Total assets	$ 216,696	$ 8,450,072	$ 8,446,136	$ 220,632
Liabilities				
Accounts payable	$ 130	$ 26,791	$ 9,327	$ 17,594
Due to other governmental units	212,225	8,387,098	8,402,353	196,970
Interest payable	45	243	45	243
Other current liabilities	4,396	93,712	92,283	5,825
Total liabilities	$ 216,796	$ 8,507,844	$ 8,504,008	$ 220,632
AD VALOREM TAX FUND				
Assets				
Cash	$ 2,079,339	$ 58,632,967	$ 58,588,215	$ 2,124,091
Dishonored checks receivable	-	52,600	52,600	-
Total assets	$ 2,079,339	$ 58,685,567	$ 58,640,815	$ 2,124,091
Liabilities				
Accounts payable	$ 2,957	$ 77,802	$ 80,559	$ 200
Due to individuals	175,512	5,612,866	5,634,679	153,699
Due to other funds	34,407	1,059,093	1,041,586	51,914
Due to other governmental units	1,742,795	55,253,186	55,205,677	1,790,304
Interest payable	-	2,957	-	2,957
Occupational licenses payable	70,970	86,948	87,206	70,712
Escrow funds payable	21,784	89,733	87,687	23,830
Other current liabilities	30,914	1,360,542	1,360,981	30,475
Total liabilities	$ 2,079,339	$ 63,543,127	$ 63,498,375	$ 2,124,091

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ending September 30, 2014

	Balance October 1, 2013	Additions	Deductions	Balance September 30, 2014
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	$ 2,295,283	$ 67,065,033	$ 67,016,053	$ 2,344,263
Dishonored checks receivable	752	70,606	70,898	460
Total assets	$ 2,296,035	$ 67,135,639	$ 67,086,951	$ 2,344,723
Liabilities				
Accounts payable	$ 3,087	$ 104,593	$ 89,886	$ 17,794
Due to individuals	175,512	5,612,866	5,634,679	153,699
Due to other funds	34,407	1,059,093	1,041,586	51,914
Due to other governmental units	1,955,020	63,640,284	63,608,030	1,987,274
Interest payable	45	3,200	45	3,200
Occupational licenses payable	70,970	86,948	87,206	70,712
Escrow funds payable	21,784	89,733	87,687	23,830
Other current liabilities	35,310	1,454,254	1,453,264	36,300
Total liabilities	$ 2,296,135	$ 72,050,971	$ 72,002,383	$ 2,344,723

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, 2014, 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 May 11, 2015.

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. However, we identified the following deficiency in internal control over financial reporting that we consider to be a significant deficiency in internal control over financial reporting.

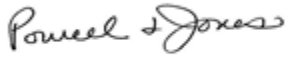
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Columbia County Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with 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
May 11, 2015

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, 2014, and have issued our report thereon dated May 11, 2015

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 May 11, 2015. 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, 2014. 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)7.c and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.554(1)(f).

CONCLUSION

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

Powell & Jones

POWELL & JONES
Certified Public Accountants
May 11, 2015

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, 2014. 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, 2014.

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

POWELL & JONES
Certified Public Accountants
May 11, 2015

District No. 1 - Ronald Williams
District No. 2 - Rusty DePratter
District No. 3 - Bucky Nash
District No. 4 - Everett Phillips
District No. 5 - Scarlet P. Frisina

BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY

June 19, 2015

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

RE: Response to Management Letter –
Annual Financial Report Fiscal Year Ended September 30, 2014
Columbia County

Dear Auditor General:

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

Current Year Findings

2014-1 Grant Administration
The proposed 2015-16 fiscal year budget for the Board of County Commissioners will include funding for a Financial Services Manager position. This individual will be charged with oversight of the County's grant programs from a financial and compliance perspective, and will utilize a centralized electronic grant documentation repository that is already in place. We're confident that assigning someone with the necessary competencies to the task of ensuring compliance with reporting and documentation requirements will resolve the findings noted.

Sincerely,

Dale Williams
County Manager

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

J. Doyle Crews

Property Appraiser - Columbia County, Florida

June 26, 2015

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

RE: Management Letter-Audit for Year Ended September 30, 2014

Dear Mr. Powell:

Thank you for the Management letter regarding the audit your office conducted on the Columbia County Property Appraiser's office for year ended September 30, 2014.

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

Sincerely,

J. Doyle Crews, CFA
Property Appraiser

JDC/kdm
Cc: Ben Scott, Assistant County Manager

135 NE Hernando Ave., Suite 238 • Lake City, Florida 32055 • 386-758-1083 • Fax: 386-758-2131
Web Site: appraiser.columbiacountyfla.com

Sheriff Mark Hunter

COLUMBIA COUNTY SHERIFF'S OFFICE

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

June 22, 2015

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

Dear Mr. Powell,

In response to your management letter regarding the financial audit of the Columbia County Sheriff's Office for the fiscal year ended September 30, 2014, I am again pleased to accept your letter with no reportable findings. The staff and employees of the Sheriff's Office continue to work hard to ensure that this office operates effectively with regards to the duties we are entrusted with but also with the highest degree of accountability possible.

Thank you too, and the staff of Powell and Jones, for the professional and timely manner in which the audit was conducted. It has been our pleasure working with you all.

Sincerely,

Mark Hunter
Sheriff, Columbia County

Liz P. Horne

SUPERVISOR OF ELECTIONS, COLUMBIA COUNTY

June 27, 2015

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

To Whom It May Concern:

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

Regards,

Liz P. Horne

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

EPH/tb

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

Ronnie Brannon, Tax Collector

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

June 26, 2015

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

Dear Chairman Depratter:

We have received our Management Letter from Powell and Jones, Certified Public Accountants, for our financial audit of the period ending September 30, 2014.

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

We appreciate the courtesy afforded us by the auditing staff.

Sincerely,

Ronnie Brannon, Tax Collector
Proudly Serving Columbia County

RHB/sb

Cc: Powell & Jones CPA