COLUMBIA COUNTY,
FLORIDA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

COLUMBIA COUNTY, FLORIDA

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For the Fiscal Year Ended September 30, 2015

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INTRODUCTORY SECTION

COLUMBIA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2015

Title	Name
Board of County Commissioners	
District I	Ronald Williams
District II	Rusty DePratter
District III	Bucky Nash
District IV	Everett Phillips
District V	Scarlet P. Frisina
County Attorney	Joel Foreman
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, 2015, 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, 2015, 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, budgetary comparison information on pages 68 through 75 and pension schedules on pages 76 through 77, 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 April 11, 2016 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

POWELL & JONES
Certified Public Accountants
April 11, 2016

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2015. 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, 2015.

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 $145,662,318 (net position). Unrestricted net position for governmental activities was $(229,261) and for business-type activities was $830,314. Governmental Activities restricted net position is $17,573,004, and was $-0- for Business-type Activities.

Total net position decreased by $(17,048,797). Of that amount, $(17,940,355) is attributable to Governmental Activities; which is primarily the result of the County's implementation of GASB 68 that requires the County to recognize and record its proportionate share of the Florida State Retirement System net pension liability. Business-type Activities net position increased by $891,557.

Governmental Funds revenues increased by $2,887,683 to $62,431,657. This increase in revenue was due primarily to an increase in grant revenue and sales and use taxes. Governmental Fund expenditures decreased by $(1,998,796) to $60,696,873. This decrease in expenditures was primarily due to a decrease in transportation related expenditures.

Business-type activities revenues increased to $3,361,527, and business-type expenses decreased to $2,717,669. The decrease in expenses was attributable to an decrease 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, 2015, the assets of the County exceed liabilities by $145,662,318.

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

Net Position

	Governmental	Business-type	Total Government 2015	Total Government 2014
Assets				
Current assets	$ 38,916,584	$ 4,634,676	$ 43,551,260	$ 47,487,888
Restricted assets	2,050,842	6,313,678	8,364,520	4,768,383
Other Noncurrent assets	126,521,984	12,099,273	138,621,257	138,462,980
Total assets	167,489,410	23,047,627	190,537,037	190,719,251
Deferred Outflows of Resources				
County's proportionate share of FRS pension related	5,491,776	64,980	5,556,756	-
Liabilities				
Current liabilities (payable from current assets)	6,364,982	344,728	6,709,710	3,969,102
Current liabilities (payable from restricted assets)	-	203,206	203,206	200,401
Noncurrent liabilities	28,276,251	10,873,451	39,149,702	23,838,633
Total liabilities	34,641,233	11,421,385	46,062,618	28,008,136
Deferred Inflows of Resources				
County's proportionate share of FRS pension related	4,317,775	51,082	4,368,857	-
Net Position				
Net position invested in capital assets, net of related debt	116,679,135	10,809,826	127,488,961	125,715,093
Net position - restricted	17,573,004	-	17,573,004	17,125,815
Net position - unrestricted	(229,961)	830,314	600,353	19,870,207
Total net position	$134,022,178	$ 11,640,140	$145,662,318	$162,711,115

87.06% 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 13.11% 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 (.01%) may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. Governmental activites revenues exceeded expenses and transfers out by $1,259,784. The decrease in Governmental Activities net position is due primarily to the implementation of GASB 68 which requires the County to report its proportionate share of the Florida State Retirement System net pension liability in the financial statements for the fiscal year ended September 30, 2015. The increase in Business-type Activities net position is due to a decrease in landfill closure costs.

Changes in Net Position

	Governmental Activities	Business-type Activities	Total Government 2015	Total Government 2014
Revenues:				
Program revenues				
Charges for services	$15,925,904	$ 2,963,314	$18,889,218	$18,284,636
Operating grants/ contributions	1,577,095	90,909	1,668,004	2,848,791
Capital grants/contributions	3,551,620	216,392	3,768,012	1,501,723
General revenues				
Property taxes	17,804,345	-	17,804,345	17,433,137
Sales and use taxes	11,260,566	-	11,260,566	10,457,579
Federal and State shared revenues	10,679,599	-	10,679,599	10,479,745
Interest	167,983	90,912	258,895	213,919
Other	1,464,545	-	1,464,545	1,106,589
Total revenues	62,431,657	3,361,527	65,793,184	62,326,119
Expenses:				
General government	9,967,840	-	9,967,840	10,040,840
Public safety	22,782,893	-	22,782,893	22,886,682
Physical environment	4,375,647	2,717,669	7,093,316	9,094,111
Transportation	13,701,770	-	13,701,770	15,897,019
Economic environment	2,025,865	-	2,025,865	1,459,428
Human services	2,557,253	-	2,557,253	2,550,712
Culture/recreation	2,766,399	-	2,766,399	2,986,423
Court related	2,255,598	-	2,255,598	2,055,126
Interest on long-term debt	263,608	-	263,608	303,852
Total expenses	60,696,873	2,717,669	63,414,542	67,274,193
Transfers in (out)	(475,000)	475,000	-	-
Increase (decrease) in net position	$ 1,259,784	$ 1,118,858	$ 2,378,642	$ (4,948,074)

Property taxes provide 28.52% of the revenues for Governmental Activities, while sales taxes provide 18.04%. Most of the Governmental Activities resources are spent for Public Safety (37.54%), General Government (16.42%), Transportation (22.57%), and Physical Environment (7.21%).

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, 2015, total assets were $14,175,453 and total liabilities were $661,885. The ending fund balance was $13,513,568; $2,050,842 of which is restricted and an additional amount of $3,284,444 was committed or assigned for specified projects.

During the year ended September 30, 2015, total revenues, $31,013,314, exceeded total expenditures, $15,178,538, by $15,834,776. $20,557,233 was transferred to other funds for operational and capital related purposes and $1,485,971 was transferred in and there was a sale of fixed assets for $18,473. The net decrease in the fund balance in the General Fund was therefore, $(3,217,743).

During the fiscal year, the County amended the General Fund budget by $5,133,104, due to recreation projects.

Other Governmental Funds

The *County Transportation Trust Fund* accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. During the year, revenues and a gain on the disposition of equipment exceeded expenditures by $1,729,965, resulting in an ending fund balance of $5,902,783.

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, 2015, expenditures and transfers exceeded revenues by $(1,036,200). This was primarily due to a transfer of $1,500,000 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 $12,618,873, 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 $2,241,902, 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, expenditures and transfers out exceeded revenues by $(432,510), leaving an ending fund balance of $1,574,087.

The *Connector Road Project Fund* accounts for the ongoing project to provide bypass roads to relieve traffic congestion throughout the county. Financing is provided by a previously dedicated local option gas tax and state construction grants. During the year, revenues and transfers in exceeded expenditures by $555,899, leaving an ending fund balance of $488,326.

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 $1,360,215 leaving an ending fund balance of $6,380,881.

General Fund Budget

Budgeted revenues for the General Fund exceeded actual revenue by $86,797. Budgeted expenditures and transfers out were greater than actual by $3,258,261. This was primarily due to capital projects which were not completed in the 2015 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, 2015, were $19,550,631, total liabilities were $9,943,567, net deferred outflows/inflows related to the Florida State Retirement System pension liability were $13,898 and net position was $9,620,962. Total income, including interest and grants, was $3,072,349 and total expenses, including a loss on disposition of equipment were $2,409,171, leaving a change in net position of $663,178. Net position was decreased by a prior period adjustment of $(227,301) for the fund's proportionate share of the Florida State Retirement System net pension liability as required by GASB 68. This brought net position to $9,620,962.

The Utilities Fund, accounts for the financial activities associated with the County operated water and sewer services. Total assets at September 30, 2015 were $4,950,865, total liabilities were $2,931,687, and net position was $2,019,178. Total income and transfers in were $764,178. Total expenses, including interest expense, were $308,498, leaving a net change in net position of $455,680.

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2015, is $138,560,624 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. General fixed assets are recorded at cost. For assets purchased before 2003, assets were recorded at cost or fair market value.

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

The following schedule provides a summary of the County's capital assets balances for the year ended September 30, 2015, compared to the prior year:

Capital Assets

	Governmental Activities	Business-type Activities	Total Government 2015	Total Government 2014
Land and improvements	$ 11,477,846	$ 1,992,847	$ 13,470,693	$ 12,481,123
Construction in progress	17,924,298	3,189	17,927,487	17,964,577
Infrastructure	159,629,326	-	159,629,326	147,968,162
Buildings and improvements	50,065,706	16,839,461	66,905,167	69,133,445
Equipment	25,057,111	3,271,079	28,328,190	30,655,616
	264,154,287	22,106,576	286,260,863	278,202,923
Less accumulated depreciation	(137,692,936)	(10,007,303)	(147,700,239)	(139,808,293)
Total	$126,461,351	$ 12,099,273	$138,560,624	$138,394,630

DEBT MANAGEMENT

Governmental Activities Debt

During the year, total long-term debt increased by $17,773,203. This was primarily the result of the implementation of GASB 68 which required a prior period adjustment for the County's proportionate share of the Florida State Retirement System net pension liability in the amount of $11,540,669 and the subsequent increase in that liability of $7,736,751 for the fiscal year ended September 30, 2015. The following schedule shows the balances of the County's long-term debt at year end:

Revenue bonds	$ 8,019,605
Capital leases	1,762,611
Compensated absences	2,166,812
County's proportionate share FRS pension liability	19,277,420
	$ 31,226,448

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 $1,289,447 at September 30, 2015.

The County also had a liability for compensated absences of $30,664 if which $664 was long-term and an estimated landfill closure and post-closure liability $9,578,330 at year end.

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The current unemployment rate for the County, was 5.3%.
- The estimated population for the County in 2015 was 68,348.
- The ad valorem tax millage rate for the County was 8.015 mills in 2015, 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, 2015

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current Assets			
Cash	$ 13,102,948	$ 1,331,294	$ 14,434,242
Accounts receivable	408,983	410,967	819,950
Internal balances	1,453,869	(1,453,869)	-
Due from agency funds	330,188	-	330,188
Due from other governmental units	3,565,472	188,555	3,754,027
Inventories	103,778	-	103,778
Prepaid expenses	17,349	-	17,349
Investments	19,929,177	4,157,729	24,086,906
Other current assets	4,820	-	4,820
Total current assets	38,916,584	4,634,676	43,551,260
Noncurrent Assets			
Restricted assets			
Cash	2,050,842	98,344	2,149,186
Investments	-	6,215,334	6,215,334
Total restricted assets	2,050,842	6,313,678	8,364,520
Note receivable	60,633	-	60,633
Capital assets, net	126,461,351	12,099,273	138,560,624
Total noncurrent assets	128,572,826	18,412,951	146,985,777
Total assets	167,489,410	23,047,627	190,537,037
DEFERRED OUTFLOWS OF RESOURCES			
County's proportionate share of FRS pension related	5,491,776	64,980	5,556,756
LIABILITIES			
Current Liabilities			
Accounts payable	1,448,156	261,846	1,710,002
Accrued wages	42,929	2,108	45,037
Accrued payroll liabilities	760,081	-	760,081
Due to other governmental units	215,262	-	215,262
Accrued compensated absences	325,022	30,000	355,022
Interest payable	30,138	6,260	36,398
Deposits	12,000	24,514	36,514
Unearned revenue	153,319	-	153,319
Current portion County's proportionate share FRS pension liability	2,625,175	20,000	2,645,175
Other current liabilities	752,900	-	752,900
Total current liabilities	6,364,982	344,728	6,709,710
Current Liabilities Payable from Restricted Assets			
Landfill postclosure costs	-	203,206	203,206
	-	203,206	203,206
Noncurrent Liabilities			
Due within one year:			
Notes and loans payable	-	104,360	104,360
Capital leases	152,419	-	152,419
Bonds payable	1,377,045	-	1,377,045
Due in more than one year:			
Notes and loans payable	-	1,185,087	1,185,087
Capital leases	1,610,192	-	1,610,192
Bonds payable	6,642,560	-	6,642,560
Accrued compensated absences	1,841,790	664	1,842,454
Estimated landfill closure liability	-	9,375,124	9,375,124
County proportionate share FRS pension liability	16,652,245	208,216	16,860,461
Total noncurrent liabilities	28,276,251	10,873,451	39,149,702
Total liabilities	34,641,233	11,421,385	46,062,618

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET POSITION

September 30, 2015

	Governmental Activities	Business - type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
County's proportionate share of FRS pension related	$ 4,317,775	$ 51,082	$ 4,368,857
NET POSITION			
Invested in capital assets, net of related debt	116,679,135	10,809,826	127,488,961
Restricted	17,573,004	-	17,573,004
Unrestricted	(229,961)	830,314	600,353
Total net position	$ 134,022,178	$ 11,640,140	$ 145,662,318

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2015

		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	$ 9,967,840	$ 3,350,267	$ 14,275	$ -	$ (6,603,298)	$ -	$ (6,603,298)
Public Safety	22,782,893	6,349,252	409,077	314,113	(15,710,451)	-	(15,710,451)
Physical Environment	4,375,647	3,664,251	-	-	(711,396)	-	(711,396)
Transportation	13,701,770	16,653	-	3,237,007	(10,448,110)	-	(10,448,110)
Economic Environment	2,025,865	-	534,136	-	(1,491,729)	-	(1,491,729)
Human Services	2,557,253	1,914	132,161	-	(2,423,178)	-	(2,423,178)
Culture/recreation	2,766,399	203,593	376,245	500	(2,186,061)	-	(2,186,061)
Court-related	2,255,598	2,339,974	111,201	-	195,577	-	195,577
Interest on long-term debt	263,608	-	-	-	(263,608)	-	(263,608)
Total governmental activities	60,696,873	15,925,904	1,577,095	3,551,620	(39,642,254)	-	(39,642,254)
Business - type activities							
Physical Environment							
Landfill and utilities	2,605,334	2,963,314	90,909	216,392	-	665,281	665,281
Total government	63,302,207	18,889,218	1,668,004	3,768,012	(39,642,254)	665,281	(38,976,973)
		General revenues					
		Ad valorem taxes			17,804,345	-	17,804,345
		Sales and use taxes			11,260,566	-	11,260,566
		Franchise taxes			120,292		120,292
		Federal payments in lieu of taxes			267,661	-	267,661
		Federal and state shared revenue			10,679,599	-	10,679,599
		Interest			167,983	90,912	258,895
		Gain (loss) on disposition of fixed assets			267,917	(112,335)	155,582
		Rents and royalties			3,350	-	3,350
		Miscellaneous			805,325	-	805,325
		Transfers in (out)			(475,000)	475,000	-
		Total general revenues			40,902,038	453,577	41,355,615
		Change in net position			1,259,784	1,118,858	2,378,642
		Net position beginning of year			151,962,533	10,748,583	162,711,116
		Prior period adjustment			(19,200,139)	(227,301)	(19,427,440)
		Net position end of year			$ 134,022,178	$ 11,640,140	$ 145,662,318

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2015

		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
ASSETS										
Cash	$ 2,491,931	$ 1,092,653	$ 2,234,853	$ 66,190	$ 1,009,750	$ 217,594	$ 131,842	$ 4,521,893	$ 3,387,084	$ 15,153,790
Accounts receivable	161,445	-	308	-	245,887	-	-	-	1,343	408,983
Notes receivable	-	-	-	-	-	60,633	-	-	-	60,633
Due from other funds	1,859,878	-	489,328	146,411	-	-	-	-	38,541	2,534,158
Due from other governmental units	1,159,699	585,940	30,870	18,870	27,600	10,972	1,207,686	446,190	77,645	3,565,472
Inventories	-	103,778	-	-	-	-	-	-	-	103,778
Prepaid expenses	278	-	-	-	15,676	-	-	-	1,395	17,349
Investments	8,499,402	4,268,417	2,933,964	-	-	1,284,431	-	1,740,303	1,202,660	19,929,177
Other current assets	2,820	-	-	-	-	2,000	-	-	-	4,820
Total assets	$ 14,175,453	$ 6,050,788	$ 5,689,323	$ 231,471	$ 1,298,913	$ 1,575,630	$ 1,339,528	$ 6,708,386	$ 4,708,668	$ 41,778,160
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	$ 384,044	$ 137,652	$ 134,180	$ 21,318	$ 406,157	$ 992	$ 101,202	$ 157,505	$ 105,106	$ 1,448,156
Due to other funds	-	-	-	54,491	404,321	-	-	-	291,289	750,101
Due to other governmental units	-	-	-	29,801	-	-	-	170,000	15,461	215,262
Accrued wages	25,982	-	13,284	-	-	551	-	-	3,112	42,929
Accrued payroll liabilities	239,859	10,353	1,516	-	488,370	-	-	-	19,983	760,081
Deposits	12,000	-	-	-	-	-	-	-	-	12,000
Unearned revenues	-	-	4,856	125,861	-	-	-	-	22,602	153,319
Other current liabilities	-	-	335	-	65	-	750,000	-	2,500	752,900
Total liabilities	661,885	148,005	154,171	231,471	1,298,913	1,543	851,202	327,505	460,053	4,134,748
Fund balances										
Nonspendable:										
Inventories	-	103,778	-	-	-	-	-	-	-	103,778
Notes receivable	-	-	-	-	-	60,633	-	-	-	60,633
Advance	971,030	-	-	-	-	-	-	-	-	971,030
Other	278	-	-	-	-	2,000	-	-	1,395	3,673
Restricted	2,050,842	5,799,005	5,535,152	-	-	-	-	-	4,188,005	17,573,004
Committed	1,300,000	-	-	-	-	-	-	-	43,181	1,343,181
Assigned	1,984,444	-	-	-	-	1,511,454	488,326	6,380,881	16,034	10,381,139
Unassigned	7,206,974	-	-	-	-	-	-	-	-	7,206,974
Total fund balances	13,513,568	5,902,783	5,535,152	-	-	1,574,087	488,326	6,380,881	4,248,615	37,643,412
Total liabilities and fund balances	$ 14,175,453	$ 6,050,788	$ 5,689,323	$ 231,471	$ 1,298,913	$ 1,575,630	$ 1,339,528	$ 6,708,386	$ 4,708,668	

-	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: 126,461,351
	Long-term debt transactions are not due and payable in the current period and therefore are not reported in the funds:
	Bonds payable (8,019,605)
	Capital leases (1,762,611)
	Accrued compensated absences (2,166,812)
	Interest payable (30,138)
	County's proportionate share of FRS net pension liability and related deferred outflow/inflows (18,103,419)
See notes to financial statements.	Net position of governmental activities $ 134,022,178

COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2015

		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
REVENUES										
Taxes	$ 22,447,181	$ 4,168,256	$ 593,726	$ -	$ -	$ -	$ -	$ -	$ 2,007,363	$ 29,216,526
Licenses and permits, special assessme	18,336	-	8,992,263	-	-	-	-	-	39,922	9,050,521
Intergovernmental	5,497,040	4,562,595	276,494	115,450	72,493	1,070,000	1,207,686	2,029,320	1,021,092	15,852,170
Charges for services	2,491,583	7,179	15,050	1,750,323	148,550	-	-	-	2,084,693	6,497,378
Fines and forfeitures	139,507	-	-	-	-	-	-	-	255,130	394,637
Interest	73,963	19,699	32,187	-	-	11,214	884	23,343	6,693	167,983
Miscellaneous	345,704	150,704	46,776	-	283,020	88	-	2,638	124,723	953,653
Total revenues	31,013,314	8,908,433	9,956,496	1,865,773	504,063	1,081,302	1,208,570	2,055,301	5,539,616	62,132,868
EXPENDITURES										
Current expenditures										
General government	4,828,972	-	322,861	704,732	-	-	-	-	3,596,125	9,452,690
Public safety	3,620,434	-	5,313,075	-	12,733,784	-	-	-	101,963	21,769,256
Physical environment	811,669	6,733	3,495,356	-	-	-	-	-	-	4,313,758
Transportation	-	6,500,530	-	-	-	-	79,014	525,827	-	7,105,371
Economic environment	166,262	-	2,878	-	-	799,014	-	-	939,453	1,907,607
Human services	2,511,934	-	-	-	-	-	-	-	-	2,511,934
Culture/recreation	1,739,719	-	-	-	-	-	-	-	754,698	2,494,417
Court-related	-	-	-	1,537,170	-	-	-	-	718,977	2,256,147
Capital outlay										
General government	39,975	-	-	-	-	-	-	-	29,000	68,975
Public safety	547,436	-	-	-	389,152	-	-	-	277,474	1,214,062
Physical environment	407,339	-	-	-	-	-	-	-	-	407,339
Transportation	-	600,777	-	-	-	-	2,267,892	4,369,259	-	7,237,928
Human services	28,856	-	-	-	-	-	-	-	-	28,856
Culture/recreation	475,942	-	-	-	-	-	-	-	118,298	594,240
Court-related	-	-	-	-	-	-	-	-	144,373	144,373
Debt services										
Principal	-	147,866	250,748	-	-	438,120	-	-	669,112	1,505,846
Interest	-	58,669	109,878	-	-	51,678	-	-	47,887	268,112
Total expenditures	15,178,538	7,314,575	9,494,796	2,241,902	13,122,936	1,288,812	2,346,906	4,895,086	7,397,360	63,280,911
Excess of revenues over (under) expendit	15,834,776	1,593,858	461,700	(376,129)	(12,618,873)	(207,510)	(1,138,336)	(2,839,785)	(1,857,744)	(1,148,043)
Other financing sources (uses)										
Sale of fixed assets	18,743	136,107	2,100	-	-	-	-	-	400	157,350
Interfund transfers in	1,485,971	-	-	376,129	12,618,873	-	1,694,235	4,200,000	2,479,599	22,854,807
Interfund transfers out	(20,557,233)	-	(1,500,000)	-	-	(225,000)	-	-	(1,047,574)	(23,329,807)
Total other financing sources (uses)	(19,052,519)	136,107	(1,497,900)	376,129	12,618,873	(225,000)	1,694,235	4,200,000	1,432,425	(317,650)
Net change in fund balances	(3,217,743)	1,729,965	(1,036,200)	-	-	(432,510)	555,899	1,360,215	(425,319)	(1,465,693)
Fund balances beginning of year	16,731,311	4,172,818	6,571,352	-	-	2,006,597	(67,573)	5,020,666	4,673,934	39,109,105
Fund balances end of year	$ 13,513,568	$ 5,902,783	$ 5,535,152	$ -	$ -	$ 1,574,087	$ 488,326	$ 6,380,881	$ 4,248,615	$ 37,643,412

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, 2015

Net change in fund balances - total governmental funds		$ (1,465,693)
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	$ 9,641,146	
Less current year depreciation	(9,631,677)	
		9,469
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.		
Gain on disposition of capital assets		110,567
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	147,866	
Bond principal payments	1,357,980	
		1,505,846
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	(1,629)	
Net change in accrued interest expense	4,504	
Net change in the Countys proportionate share FRS pension liability and related deferred outflows and inflows	1,096,720	
		1,099,595
		$ 1,259,784

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2015

	Landfill Enterprise	Utilities	Total
ASSETS			
Current Assets			
Cash	$ 833,308	$ 497,986	$ 1,331,294
Accounts receivable net of allowance for uncollectible accounts	401,478	9,489	410,967
Due from other governmental units	17,673	170,882	188,555
Investments	4,157,729	-	4,157,729
Total current assets	5,410,188	678,357	6,088,545
Noncurrent Assets			
Restricted assets			
Cash	98,344	-	98,344
Investments	6,215,334	-	6,215,334
Total restricted assets	6,313,678	-	6,313,678
Fixed assets			
Land	887,973	1,104,874	1,992,847
Buildings	508,514	131,200	639,714
Improvements other than buildings	12,175,435	4,024,312	16,199,747
Equipment	3,257,093	13,986	3,271,079
Construction in progress	-	3,189	3,189
Allowance for depreciation	(9,002,250)	(1,005,053)	(10,007,303)
Total fixed assets	7,826,765	4,272,508	12,099,273
Total noncurrent assets	14,140,443	4,272,508	18,412,951
Total assets	19,550,631	4,950,865	24,501,496
DEFERRED OUTFLOWS OF RESOURCES			
Florida Retirement System pension related	64,980	-	64,980
LIABILITIES			
Current Liabilities			
Accounts payable	87,678	174,168	261,846
Accrued wages	2,108	-	2,108
Due to other funds	-	1,453,869	1,453,869
Interest payable	-	6,260	6,260
Accrued compensated absences	30,000	-	30,000
Deposits	16,571	7,943	24,514
Note payable, short-term portion	-	104,360	104,360
Current portion County's share FRS net pension liability	20,000	-	20,000
Total current liabilities	136,357	1,746,600	1,902,957
Current Liabilities Payable from Restricted Assets			
Landfill postclosure costs	203,206	-	203,206
Total current liabilities payable from restricted assets	203,206	-	203,206

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2015

	Landfill Enterprise	Utilities	Total
Noncurrent Liabilities			
Share of Florida State Retirement pension liability	$ 208,216	$ -	$ 208,216
Loan payable Department of Environmental Protection	-	1,185,087	1,185,087
Estimated landfill closure liability	9,375,124	-	9,375,124
Accrued compensated absences	664	-	664
Total noncurrent liabilities	9,584,004	1,185,087	10,769,091
Total liabilities	9,943,567	2,931,687	12,875,254
DEFERRED INFLOWS OF RESOURCES			
Florida Retirement System pension related	51,082	-	51,082
NET POSITION			
Invested in capital assets, net of related debt	7,826,765	2,983,061	10,809,826
Unrestricted	1,794,197	(963,883)	830,314
Total net position	$ 9,620,962	$ 2,019,178	$ 11,640,140

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, 2015

	Landfill Enterprise	Utilities	Totals
OPERATING REVENUES			
Licenses and permits	$ -	$ 9,924	$ 9,924
Charges for services			
Physical environment			
Garbage/solid waste revenue	2,883,580	-	2,883,580
Water and wastewater revenue	7,405	62,405	69,810
Total operating revenues	2,890,985	72,329	2,963,314
OPERATING EXPENSES			
Landfill and water/wastewater utilities			
Personnel services	656,132	-	656,132
Operating expenses	1,089,005	97,693	1,186,698
Depreciation	551,699	177,870	729,569
Total landfill and water/wastewater utilities	2,296,836	275,563	2,572,399
Total operating expenses	2,296,836	275,563	2,572,399
Operating income (loss)	594,149	(203,234)	390,915
NONOPERATING REVENUES (EXPENSES)			
State grants			
Physical environment			
State grants	90,909	170,882	261,791
Other contributions	-	45,510	45,510
Gain (loss) on disposal of capital assets	(112,335)	-	(112,335)
Interest earnings	90,455	457	90,912
Debt service costs			
Interest	-	(32,935)	(32,935)
Total nonoperating revenues (expenses)	69,029	183,914	252,943
Change in net position before operating transfers	663,178	(19,320)	643,858
Operating transfers in	-	475,000	475,000
Change in net position after operating transfers	663,178	455,680	1,118,858
Net position at beginning of year	9,185,085	1,563,498	10,748,583
Prior period adjustment	(227,301)	-	(227,301)
Net position at end of year	$ 9,620,962	$ 2,019,178	$ 11,640,140

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Fiscal Year Ended September 30, 2015

	Landfill Enterprise	Utilities	Total
Cash Flows From Operating Activities			
Cash flows received from customers	$ 2,779,560	$ 58,748	$ 2,838,308
Cash paid to employees	(485,427)	-	(485,427)
Cash paid for employee benefits	(186,668)	-	(186,668)
Cash paid to vendors	(1,114,378)	74,842	(1,039,536)
Net cash provided by operating activities	993,087	133,590	1,126,677
Cash Flows From Noncapital Financing Activities			
State grants received	85,217	-	85,217
Transfers from other funds	-	475,000	475,000
Net cash provided by noncapital financing activities	85,217	475,000	560,217
Cash Flows From Capital and Related Financing Activities			
Payments to acquire or construct capital assets	(672,530)	(179,883)	(852,413)
Principal paid on capital debt	-	(102,028)	(102,028)
Interest paid on capital debt	-	(32,935)	(32,935)
Net cash used for capital and related financing activities	(672,530)	(314,846)	(987,376)
Cash Flows From Investing Activities			
Interest received	90,455	457	90,912
Increase in investments	(4,727,045)	-	(4,727,045)
Net cash provided (used) by investing activities	(4,636,590)	457	(4,636,133)
Net increase (decrease) in cash	(4,230,816)	293,744	(3,937,072)
Cash at beginning of year	5,162,469	204,242	5,366,711
Cash at end of year	$ 931,653	$ 497,986	$ 1,429,639

(Continued)

COLUMBIA COUNTY, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Fiscal Year Ended September 30, 2015

	Landfill Enterprise	Utilities	Total
Reconciliation of Operating Income (Loss) to Cash Provided by Operating Activities			
Operating income (loss)	$ 594,149	$ (203,234)	$ 390,915
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	551,699	177,870	729,569
Increase in landfill closure liability	59,240	-	59,240
(Increase) decrease in assets:			
Accounts receivable	(112,375)	(9,254)	(121,629)
Increase (decrease) in liabilities:			
Accounts payable	(84,613)	172,535	87,922
Deposits	950	6,073	7,023
Accrued wages	2,108	-	2,108
Accrued compensated absences	(5,088)	-	(5,088)
Other current liabilities	-	(10,400)	(10,400)
Net increase in deferred outflows/inflows of resources related to the FRS pension liability	(104,575)	-	(104,575)
Net change in the share of the FRS net pension liability	91,592	-	91,592
Total adjustments	398,938	336,824	735,762
Net cash provided by operating activities	$ 993,087	$ 133,590	$ 1,126,677

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS
September 30, 2015

ASSETS		
Cash	$	3,710,621
Accounts receivable		817,496
Total assets	$	4,528,117
LIABILITIES		
Accounts payable	$	4,106
Cash bond liability		42,172
Court fees payable		215,431
Deposits held in escrow		263,706
Due to other funds		330,188
Due to other governmental units		2,072,745
Tax deeds payable		245,838
Other current liabilities		1,353,931
Total liabilities		4,528,117
NET ASSETS	$	-

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 75 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources." Governmental funds operating statements present increases (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, 2015, this allowance was $18,009. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at September 30, 2015.

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. Unearned Revenues

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

15. Accrued Compensated Absences

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

16. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the "revenue reduction" approach in accounting to rebatable arbitrage. This approach treats excess earnings as

a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2015.

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 developers. 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, $37,643,412 , differs from "net position" of governmental activities, $134,022,178, 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	$ 264,154,287
Accumulated depreciation	(137,692,936)
Total	$ 126,461,351

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, 2015, were:

Revenue notes/Bonds payable	$ 8,019,605
Capital leases payable	1,762,611
Compensated absences	2,166,812
County's proportionate share FRS net pension liability	19,277,420
Total	$ 31,226,448

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	$ 11,822
Capital leases	18,316
Total	$ 30,138

Deferred outflows/inflows of resources

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

Deferred outflows of resources	$ 5,491,776
Deferred inflows of resources	(4,317,775)
	$ 1,174,001

Elimination of interfund receivables/payable

Interfund receivables and payables in the amount of $750,101 between governmental funds must be eliminated for the statement of net position.

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

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

	Total Governmental Funds	Capital Related Items	Long-Term Debt Transactions	Deferred Outflow/Inflows of Resources	Reclassifications and Eliminations	Statement of Net Position
ASSETS						
Cash and cash equivalents	$ 15,153,790	$ -	$ -	$ -	$ -	$ 15,153,790
Accounts receivable - net	408,983	-	-	-	-	408,983
Due from other funds	2,534,158	-	-	-	(750,101)	1,784,057
Due from other governmental units	3,565,472	-	-	-	-	3,565,472
Note receivable	60,633	-	-	-	-	60,633
Investments	19,929,177	-	-	-	-	19,929,177
Inventories	103,778	-	-	-	-	103,778
Prepaid expense	17,349	-	-	-	-	17,349
Other current assets	4,820	-	-	-	-	4,820
Capital assets - net	-	126,461,351	-	-	-	126,461,351
Total assets	41,778,160	126,461,351	-	-	(750,101)	167,489,410
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	5,491,776	-	5,491,776
LIABILITIES						
Liabilities:						
Accounts payable	$ 1,448,156	$ -	$ -	$ -	$ -	$ 1,448,156
Due to other funds	750,101	-	-	-	(750,101)	-
Due to other governmental units	215,262	-	-	-	-	215,262
Accrued interest payable	-	-	30,138	-	-	30,138
Accrued wages	42,929	-	-	-	-	42,929
Accrued payroll liabilities	760,081	-	-	-	-	760,081
Deposits	12,000	-	-	-	-	12,000
Unearned revenues	153,319	-	-	-	-	153,319
Other current liabilities	752,900	-	-	-	-	752,900
Accrued compensated absences	-	-	2,166,812	-	-	2,166,812
Capital leases payable	-	-	1,762,611	-	-	1,762,611
Revenue bonds payable	-	-	8,019,605	-	-	8,019,605
County's proportionate share FRS pension plan	-	-	19,277,420	-	-	19,277,420
Total liabilities	4,134,748	-	31,256,586		(750,101)	34,641,233
DEFERRED INFLOW OF RESOURCES	-	-	-	4,317,775	-	4,317,775
Fund balances/net position	$ 37,643,412	$ 126,461,351	$ (31,256,586)	$ 1,174,001	$ -	$ 134,022,178

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL

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

The "net change in fund balances" for governmental funds ($1,465,693) differs from the "change in net positon" for governmental activities $1,259,784 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.

Gain on dispositions	$ 110,567
Capital outlay and other additions	9,641,146
Depreciation expense	(9,631,677)
Difference	$ 120,036

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

Debt reduction	$ 1,505,846

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	$ (1,629)
Net change in accrued interest	4,504
Net change County's proportionate share FRS net pension liability	(7,736,751)
Net change pension related deferred outflows/inflows	8,833,471
	$ 1,099,595

Reclassification and Eliminations

Transfers in and transfers out in the amount of $22,851,961 between governmental activities should be eliminated.

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

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

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Compensated Absences	Accrued Interest	Net Pension Liability	Deferred Outflows/ Inflows of Resources	Reclassifications and Eliminations	Statement of Activities
REVENUES									
Taxes	$ 29,216,526	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 29,216,526
Licenses and permits	9,050,521	-	-	-	-	-	-	-	9,050,521
Intergovernmental	15,852,170	-	-	-	-	-	-	-	15,852,170
Charges for services	6,497,378	-	-	-	-	-	-	-	6,497,378
Fines and forfeitures	394,637	-	-	-	-	-	-	-	394,637
Interest	167,983	-	-	-	-	-	-	-	167,983
Miscellaneous	953,653	30,872	-	-	-	-	-	-	984,525
Total revenues	62,132,868	30,872	-	-	-	-	-	-	62,163,740
EXPENDITURES									
Current Expenditures									
General government	9,452,690	793,067	-	(20,188)	-	1,818,136	(2,075,866)	-	9,967,840
Public safety	21,769,256	1,693,384	-	19,960	-	4,936,047	(5,635,754)	-	22,782,893
Physical environment	4,313,758	87,178	-	(2,258)	-	162,472	(185,503)	-	4,375,647
Transportation	7,105,371	6,674,082	-	184	-	549,309	(627,176)	-	13,701,770
Economic environment	1,907,607	122,828	-	7,494	-	85,104	(97,168)	-	2,025,865
Human services	2,511,934	45,867	-	-	-	3,868	(4,417)	-	2,557,253
Culture/recreation	2,494,417	300,770	-	(3,563)	-	177,945	(203,170)	-	2,766,399
Court related	2,256,147	-	-	-	-	3,868	(4,417)	-	2,255,598
Capital outlay									
General government	68,975	(68,975)	-	-	-	-	-	-	-
Public safety	1,214,062	(1,214,062)	-	-	-	-	-	-	-
Physical environment	407,339	(407,339)	-	-	-	-	-	-	-
Transportation	7,237,928	(7,237,928)	-	-	-	-	-	-	-
Human services	28,856	(28,856)	-	-	-	-	-	-	-
Culture/recreation	594,240	(594,240)	-	-	-	-	-	-	-
Court related	144,373	(144,373)	-	-	-	-	-	-	-
Debt Service									
Principal	1,505,846	-	(1,505,846)	-	-	-	-	-	-
Interest	268,112	-	-	-	(4,504)	-	-	-	263,608
Total expenditures	63,280,911	21,403	(1,505,846)	1,629	(4,504)	7,736,751	(8,833,471)	-	60,696,873
Excess of revenues over (under) expenditures	(1,148,043)	9,469	1,505,846	(1,629)	4,504	(7,736,751)	8,833,471	-	1,466,867
OTHER FINANCING SOURCES (USES)									
Gain on disposition of fixed assets	157,350	110,567	-	-	-	-	-	-	267,917
Transfers in	22,854,807	-	-	-	-	-	-	(22,851,961)	2,846
Transfers out	(23,329,807)	-	-	-	-	-	-	22,851,961	(477,846)
Total other financing sources (uses)	(317,650)	110,567	-	-	-	-		-	(207,083)
Net change in fund balances	(1,465,693)	120,036	1,505,846	(1,629)	4,504	(7,736,751)	8,833,471	-	1,259,784
Fund balances at beginning of year	39,109,105	126,341,315	(11,288,062)	(2,165,183)	(34,642)	-	-	-	151,962,533
Prior period adjustment	-	-	-	-	-	(11,540,669)	(7,659,470)	-	(19,200,139)
Fund balances/net position at end of year	$ 37,643,412	$ 126,461,351	$ (9,782,216)	$ (2,166,812)	$ (30,138)	$ (19,277,420)	$ 1,174,001	$ -	$ 134,022,178

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, 2015, 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, 2015.

	Appropriations	Expenses	Variance Positive (Negative)
Enterprise funds			
Landfill enterprise	$ 6,384,880	$ 2,409,171	$ 3,975,709
Utilities	1,266,229	308,498	957,731
	$ 7,651,109	$ 2,717,669	$ 4,933,440

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, 2015, the carrying amount of the County's deposits was $20,294,049. 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, 2015.

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 investment pool created by Sections 218.405, *Florida Statutes*, U.S. Treasury Securities, and those made locally. 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, 2015, are similar to money market funds in which shares are reported at fair value, which is amortized cost.

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, 2015, the Trust had investments, at fair value, of approximately $941.66 million. Of the total investments in the Trust, 17.8% was invested in asset backed securities. 2.3% was invested in agency fixed rate securities, 1.8% was invested in corporate floating rate securities , 1.4% was invested in private collateralized mortgage obligations, 1.0% was in invested in municipal bonds, .9% was invested in agency collateralized mortgage obligations, .8% was invested in money market funds, .4% was invested in municipal putable bonds, .4% was invested in agency adjustable rate mortgages, .4% was invested in sovereign government floating rate securities, .3% was invested in commercial paper, 28.1% was invested in U.S. Treasury notes, 25.6%was invested in corporate fixed rate bonds, and 18.7% in sovereign fixed rate debt. 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, 2015, the fund had investments of $412.73 million of which 28.6% were in repurchase agreements and 16.3% were in government related securities. 27.1% were in corporate securities, 22.9% were in commercial paper, 3.1% in bank deposits, 1.6% in asset-backed securities, .3% in money market funds and .1% in municipal debt.

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, 2015, the County had investments with the following issuers in the percentages of total investments shown below:

Schedule of Investments at September 30, 2015

Investment	Maturities	Fair Value	Percent	Category
State Board of Administration Local Government				
Local Government Surplus Trust Fund Florida PRIME	28.4 Day Average	$ 36,956	0.12%	-
Florida Local Government Investment Pool	1.40 Year Average	15,532,850	51.26%	-
Florida Local Government Day to Day Fund	42 Day Average	3,833,031	12.65%	
Certificates of Deposit, Money Market	Daily - 36 months	10,899,403	35.97%	1
Total Investments		$ 30,302,240	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 2014-2015 fiscal year were levied in October 2014. 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, 2015, was as follows:

	Beginning Balance	Donations	Additions	Reclassifications/ Adjustments	Deletions	Balance
Governmental activities:						
Capital assets:						
Land	$ 8,939,919	$ -	$ 938,925	$ (10,983)	$ -	$ 9,867,861
Land interests	1,599,002	-	-	10,983	-	1,609,985
Buildings	49,947,408	-	118,298	-	-	50,065,706
Improvements other than buildings	5,344,501	-	643,441	3,289,448	-	9,277,390
Road improvements	147,968,162	-	2,383,774	-	-	150,351,936
Construction in progress	15,407,449	-	4,089,670	(1,572,821)	-	17,924,298
Equipment	27,385,657	30,872	1,436,166	(1,671,584)	(2,124,000)	25,057,111
Total capital assets	256,592,098	30,872	9,610,274	45,043	(2,124,000)	264,154,287
Less accumulated depreciation	(130,250,783)	-	(9,631,677)	97,022	2,092,502	(137,692,936)
Governmental activities capital assets, net	$ 126,341,315	$30,872	$ (21,403)	$ 142,065	$ (31,498)	$ 126,461,351
Business-type activities:						
Land	$ 1,942,202	$ -	$ 50,645	$ -	$ -	$ 1,992,847
Equipment	3,269,959	-	788,994	(168,120)	(619,754)	3,271,079
Buildings	624,868	-	-	14,846	-	639,714
Improvements	13,216,668	-	349,175	2,633,904	-	16,199,747
Construction in progress	2,557,128	-	3,189	(2,557,128)	-	3,189
Total capital assets	21,610,825	-	1,192,003	(76,498)	(619,754)	22,106,576
Less accumulated depreciation	(9,557,510)	-	(729,569)	(7,373)	287,149	(10,007,303)
Business-type activities capital assets, net	$ 12,053,315	$ -	$ 462,434	$ (83,871)	$ (332,605)	$ 12,099,273

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

Governmental activities:	
General government	$ 707,568
Public safety	1,693,384
Physical environment	87,178
Transportation	6,674,082
Economic environment	122,828
Human services	45,867
Culture/recreation	300,770
Total depreciation expense - governmental activities	$ 9,631,677
Business -type activities:	
Landfill enterprise	551,699
Utilities enterprise	177,870
Total depreciation expense - business-type activities	$ 729,569

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	$ 1,859,878	$ -
Special revenue funds:		
Municipal services benefit unit	489,328	-
Court service fund	9,999	-
Sheriff:	-	-
Operating	-	404,321
Clerk of Courts:		
Operating	146,411	54,491
Public records modernization	6,766	-
Reserved 10%	9,578	1,303
Teen court	1,886	-
Property Appraiser operating	-	24,613
Supervisor of Elections operating	-	29,728
Tax Collector operating	10,312	235,645
Agency funds:		
Clerk of Circuit Court		
Trust	-	203,354
Sheriff		
Individual depositors	-	5,353
Tax Collector		
Ad valorem tax	-	93,491
Tag agency		27,990
Enterprise Fund:		
Utilities	-	1,453,869 *
Totals	$ 2,534,158	$ 2,534,158

* Not anticipated to be repaid within one year.

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2015, consisted of the following:

Transfers from General Fund to:	
Clerk of Courts Operating Fund	$ 428,430
Property Appraiser Operating Fund	1,259,189
Sheriff Operating Fund	12,983,202
Supervisor of Elections Operating Fund	702,357
Road Improvement Fund	2,700,000
Connnector Road Fund	1,694,235
Library Enhancement Fund	538,429
Utilities Fund	250,000
Tourist Development Fund	1,391
Transfer from Municipal Services Fund to:	
Road Improvement Fund	1,500,000
Transfer from Tourist Development Tax to:	
General Fund	1,000,000
Transfer from Economic Development Tax to:	
Utilities Fund	225,000
Transfer from Law Library Fund to:	
Court Service Fund	2,846
Transfer from Special Law Enforcement Fund to:	
Sheriff Operating Fund	15,000
Transfer from Supervisor of Elections Operating Fund to:	
General Fund	29,728
Total transfers	$23,329,807

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, 2015, were as follows:

	Accounts	Due from Other Governmental Units	Total Receivables
Governmental activities:			
General	$ 161,445	$ 1,159,699	$ 1,321,144
County transportation trust	-	585,940	585,940
Municipal services	308	30,870	31,178
Sheriff operating	245,887	27,600	273,487
Clerk operating	-	18,870	18,870
Economic development	-	10,972	10,972
Connector road project	-	1,207,686	1,207,686
Road improvements capital projects	-	446,190	446,190
Other governmental	1,343	77,645	78,988
Total governmental activities	$ 408,983	$ 3,565,472	$ 3,974,455
Business-type activities:			
Landfill enterprise, net	$ 401,478	$ 17,673	$ 419,151
Utilities	9,489	170,882	180,371
Landfill enterprise	$ 410,967	$ 188,555	$ 599,522

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, 2015, were as follows:

	Vendors	Other Governmental Units	Total Payables
Governmental activities:			
General	$ 384,044	$ -	$ 384,044
County transportation trust	137,652	-	137,652
Municipal services	134,180	-	134,180
Clerk of Court operating	21,318	29,801	51,119
Sheriff operating	406,157	-	406,157
Economic development	992	-	992
Connector road	101,202	-	101,202
Road improvement	157,505	170,000	327,505
Other governmental	105,106	15,461	120,567
Total governmental activities	$1,448,156	$ 215,262	$1,663,418
Business-type activities:			
Landfill enterprise	$ 87,678	$ -	$ 87,678
Utilities	174,168	-	174,168
	$ 261,846	$ -	$ 261,846

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 Ameris 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 3%. 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
2016	$ 256,723	$ 103,901	$ 360,624
2017	267,817	92,809	360,626
2018	275,943	84,683	360,626
2019	284,315	76,311	360,626
2020	292,940	67,686	360,626
Thereafter	2,077,137	627,543	2,704,680
Total	$ 3,454,875	$ 1,052,933	$ 4,507,808

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
2016	$ 451,211	$ 38,587	$ 489,798
2017	465,204	24,594	489,798
2018	479,517	10,281	489,798
2019	37,021	625	37,646
Total	$ 1,432,953	$ 74,087	$ 1,507,040

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
2016	$ 669,112	$ 38,315	$ 707,427
2017	669,112	29,416	$ 698,528
2018	669,112	20,517	$ 689,629
2019	669,112	11,618	$ 680,730
2020	455,329	2,873	$ 458,202
Total	$ 3,131,777	$ 102,739	$ 3,234,516

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, 2015:

Year Ending September 30	
2016	$ 206,532
2017	569,396
2018	639,340
2109	500,000
Less amount representing interest	(152,657)
Total	$ 1,762,611

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 calls 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, 2015, 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, 2015, 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, 2015, 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
2016	$ 8,947	$ 26,161	$ 69,252	$ 30,487	$ 134,847
2017	9,192	26,705	71,112	27,818	134,827
2018	9,445	27,261	73,022	25,081	134,809
2019	9,704	27,828	74,982	22,969	135,483
2020	9,970	28,407	76,996	20,109	135,482
Thereafter	123,048	336,422	280,993	75,531	815,994
Total	$ 170,306	$ 472,784	$ 646,357	$ 201,995	$ 1,491,442

D. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2015, was as follows:

Revenue bonds:						
Columbia Bank-Series 2008B	$ 1,871,073	$ -	$ -	$ (438,120)	$ 1,432,953	$ 451,211
Ameris/Prosperity Series 2008A-1	3,705,624	-	-	(250,749)	3,454,875	256,723
Bascom Norris - Gas Tax 2013	3,800,888	-	-	(669,112)	3,131,777	669,112
	9,377,585	-	-	(1,357,981)	8,019,605	1,377,045
Capital leases payable:						
Ring Investments M9C00251	158,906	-	-	(12,278)	146,627	12,647
Ring Investments M9C00252	158,906	-	-	(12,278)	146,627	12,647
Ring Investments M9C00254	158,906	-	-	(12,278)	146,627	12,647
Ring Investments M9C00285	170,737	-	-	(11,892)	158,845	12,249
Ring Investments M9C00286	170,737	-	-	(11,892)	158,845	12,249
Ring Investments M9C00316	170,737	-	-	(11,892)	158,845	12,249
Ring Investments M9C00323	170,737	-	-	(11,892)	158,845	12,249
Ring Investments M9C00418	187,703	-	-	(15,866)	171,837	16,371
Ring Investments M9C00417	187,703	-	-	(15,866)	171,837	16,371
Ring Investments M9C00419	187,703	-	-	(15,866)	171,837	16,371
Ring Investments M9C00428	187,703	-	-	(15,866)	171,837	16,371
	1,910,477	-	-	(147,866)	1,762,611	152,419
Other Liabilities:						
Compensated absences	2,165,183	-	1,629	-	2,166,812	325,022
County's proportionate share FRS pension liability	-	11,540,669	7,736,751	-	19,277,420	2,625,175
	$ 13,453,246	$ 11,540,669	$ 7,738,380	$ (1,505,847)	$ 31,226,448	$ 1,854,486
Business activities:						
Loan agreements payable:						
Department of Environmental Protection	$ 1,391,475	$ -	$ -	$ (102,028)	$ 1,289,447	$ 104,360
Other Liabilities:						
Compensated absences	35,752	-	34,153	(39,241)	30,664	30,000
Estimated liability for landfill closure	9,519,090	-	59,240	-	9,578,330	203,206
County's proportionate share FRS pension liability	-	227,301	915	-	228,216	20,000
	$ 10,946,317	$ 227,301	$ 94,308	$ (141,269)	$ 11,126,657	$ 357,566

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.

$9,578,330 is reported as landfill closure and postclosure care liability at September 30, 2015, 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 2015. 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, 2015, restricted cash of $6,313,678 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	
2016	$ 407,753
2017	289,079
2018	171,469
2019	33,382
2020	3,171
	$ 904,854

Lease expense for the fiscal year ended September 30, 2015 was $366,603.

NOTE 13. RETIREMENT PLANS

Florida Retirement System:

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

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

Pension Plan

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

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

25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

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

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

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively, were as follows: Regular—7.37% and 7.26%; Special Risk Administrative Support—42.07% and 32.95%; Special Risk—19.82% and 22.04%; Senior Management Service—21.14% and 21.43%; Elected Officers'—43.24% and 42.27%; and DROP participants—12.28% and 12.88%. These employer contribution rates include 1.26% and 1.66% HIS Plan subsidy for the periods October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively.

The County's contributions to the Pension Plan totaled $2,603,392 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the County reported a liability of $12,652,261 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of July 1, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The County's proportionate share of the net pension liability was based on the County's 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the County's proportionate share was .09796 percent, which was

an increase (decrease) of .006115 percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the County recognized pension expense of $1,082,498. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,335,743	$ 300,082
Changes in assumptions	839,797	-
Net difference between projected and actual earnings on Pension Plan investments	-	3,021,235
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	1,871,051	954,625
County Pension Plan contributions subsequent to the measurement date	626,663	-
Total	$ 4,673,254	$ 4,275,942

The deferred outflows of resources related to the Pension Plan, totaling $626,663 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2016	$ (200,355)
2017	(200,355)
2018	(200,355)
2019	298,593
2020	57,986
Thereafter	15,135
	$ (229,351)

Actuarial Assumptions – The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	7.65%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.11%	3.10%	1.65%
Intermediate - Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad U.S. Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Entities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds/Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
Total	100.00%			
Assumed Inflation - Mean		2.60%		2.00%

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

Discount Rate - The discount rate used to measure the total pension liability was 7.65%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.65%) or one percentage point higher (8.65%) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
County's proportionate share of the net pension liability	$ 32,785,816	$ 12,652,261	$ (4,101,495)

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

Payables to the Pension Plan - At September 30, 2015, the County reported a payable in the amount of $258,350 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2015.

HIS Plan

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

Benefits Provided – For the fiscal year ended September 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2015, the HIS contribution for the period October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015 was 1.26% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled $340,622 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the County reported a liability of $6,853,010 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The County's proportionate share of the net pension liability was based on the County's 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the County's proportionate share was .06720 percent, which was an increase of .000224 percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the County recognized pension expense of $536,127. In addition the County reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Changes in assumptions	539,153	
Net difference between projected and actual earnings on HIS Plan investments	3,710	
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	253,976	92,915
County HIS Plan contributions subsequent to the measurement date	86,663	
Total	$ 883,502	$ 92,915

The deferred outflows of resources related to the HIS Plan, totaling $86,663 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2016	$ 614,929.01
2017	614,929
2018	614,929
2019	(916,442)
2020	(177,970)
Thereafter	(46,451)
	$ 703,924

Actuarial Assumptions – The total pension liability in the July 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	4.29 %

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

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 4.29%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 4.29%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.29%) or one percentage point higher (5.29%) than the current rate:

	1% Decrease (3.29%)	Current Discount Rate (4.29%)	1% Increase (5.29%)
County's proportionate share of the net pension liability	$ 7,808,686	$ 6,853,010	$ 6,056,120

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

Payables to the Pension Plan - At September 30, 2015, the County reported a payable in the amount of $33,802 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2015.

Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and

membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2014-15 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 11.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2015, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's had no pension expense for the Investment Plan for the fiscal year ended September 30, 2015.

NOTE 14. FUND BALANCES GOVERNMENTAL FUNDS

As of September 30, 2015, 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	$ -	$ 49,106	$ -	$ -	$ -
SRWMD mitigation reserve	-	1,050,063	-	-	-
Southside Recreation Center	-	885,275	-	-	-
Sheriff reserve for interlocal	1,300,000	-	-	-	-
Utilities fund advance	-	-	-	971,030	-
Debt covenant	-	-	2,050,842	-	-
Other	-	-	-	278	-
Undesignated	-	-	-	-	7,206,974
	$ 1,300,000	$ 1,984,444	$ 2,050,842	$ 971,308	$ 7,206,974
Other governmental funds:					
Board of County Commissioners					
Capital Projects - County Facilities	$ -	$ 6,702	$ -	$ -	$ -
Community Development Block Grant	-	9,332	-	-	-
Connector Road Project	-	488,326	-	-	-
County Transportation Trust	-	-	5,799,005	103,778	-
Court Reporters	43,181	-	-	-	-
Court Services	-	-	856,645	-	-
Economic Development	-	1,511,454	-	62,633	-
Impact Fees	-	-	294,451	-	-
Law Enforcement Special	-	-	47,443	-	-
Library Enhancement Grant	-	-	155,396	-	-
Local Housing Assistance	-	-	27,102	-	-
Municipal Services Benefit Unit	-	-	5,535,152	-	-
Neighborhood Stabilization	-	-	54,401	-	-
Paving Assessments	-	-	129,183	-	-
Road Improvement	-	6,380,881	-	-	-
Road Improvement Debt Service	-	-	585,627	-	-
Tourist Development Tax	-	-	971,979	1,395	-
Clerk of Courts					
Public Records Modernization Trust	-	-	168,009	-	-
Reserved 10%	-	-	209,689	-	-
Teen Court	-	-	8,311	-	-
Sheriff					
Work Program	-	-	1,221	-	-
Forfeiture Fund	-	-	40,493	-	-
Forfeiture Nongrant	-	-	290,744	-	-
Inmate Welfare	-	-	319,426	-	-
Minimum Standards School	-	-	27,885	-	-
Total other governmental funds	43,181	8,396,695	15,522,162	167,806	-
Total	$ 1,343,181	$ 10,381,139	$ 17,573,004	$ 1,139,114	$ 7,206,974

Fund Balance Policy

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

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

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

Replenishment of Fund Balance Deficits

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

Utilization of Fund Balance

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

NOTE 15. CONTINGENT LIABILITIES

Grants – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state and federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. 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. 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.

NOTE 19. PRIOR PERIOD ADJUSTMENT

The implementation of GASB 68 requires employers participating in cost-sharing defined benefits pension plans to report their proportionate share of the total net pension liability and deferred inflows/outflows of resources for the plan on their government-wide financial statements. The County participates in the Florida Retirement System which is a cost-sharing defined benefit pension plan and therefore has to report these amounts in its government-wide financial statements. A prior period adjustment decreasing net position by $ 19,200,139 in the governmental funds and $227,301 in the proprietary fund was made for the fiscal year ending September 30,2015. A schedule of the adjustment follows:

	Governmental Funds	Proprietary Fund	Total
Deferred Outflows of Resources	$ 3,084,766	$ 36,519	$ 3,121,285
Deferred Inflows of Resources	(10,744,236)	(127,196)	(10,871,432)
Net Pension Liability	(11,540,669)	(136,624)	(11,677,293)
Prior Period Adjustment to Net Position	19,200,139	227,301	19,427,440
Total	$ -	$ -	$ -

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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Taxes	$ 22,318,126	$ 22,318,126	$ 22,447,181	$ 129,055
Licenses, permits , special assessments	17,000	17,000	18,336	1,336
Intergovernmental	5,689,993	6,332,391	5,497,040	(835,351)
Charges for services	2,053,502	2,053,502	2,491,583	438,081
Fines and forfeitures	131,300	131,300	139,507	8,207
Interest	75,000	75,000	73,963	(1,037)
Miscellaneous	85,000	172,792	345,704	172,912
Total revenues	30,369,921	31,100,111	31,013,314	(86,797)
EXPENDITURES				
Current operating:				
General government	4,745,501	4,964,795	4,828,972	135,823
Public safety	4,301,426	4,136,569	3,620,434	516,135
Physical environment	820,180	874,189	811,669	62,520
Economic environment	198,769	198,769	166,262	32,507
Human services	2,493,671	2,576,023	2,511,934	64,089
Culture/recreation	1,174,933	2,627,130	1,739,719	887,411
Capital outlay:				
General government	28,000	240,719	39,975	200,744
Public safety	50,700	725,742	547,436	178,306
Physical environment	20,000	498,370	407,339	91,031
Human services	32,000	7,000	28,856	(21,856)
Culture/recreation	67,000	1,562,988	475,942	1,087,046
Total expenditures	13,932,180	18,412,294	15,178,538	3,233,756
Excess of revenues over expenditures	16,437,741	12,687,817	15,834,776	3,146,959
Other Financing Sources (Uses)				
Sale of equipment	-	19,094	18,743	(351)
Transfers in	1,000,000	1,000,000	1,485,971	485,971
Transfers out	(19,928,748)	(20,581,738)	(20,557,233)	24,505
Total other financing sources (uses)	(18,928,748)	(19,562,644)	(19,052,519)	510,125
Net change in fund balance	(2,491,007)	(6,874,827)	(3,217,743)	3,657,084
Fund balance, beginning of year	16,731,311	16,731,311	16,731,311	-
Fund balance, end of year	$ 14,240,304	$ 9,856,484	$ 13,513,568	$ 3,657,084

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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Taxes	$ 3,859,997	$ 3,859,997	$ 4,168,256	$ 308,259
Intergovernmental	4,541,806	4,541,806	4,562,595	20,789
Charges for services	7,000	7,000	7,179	179
Interest	12,000	12,000	19,699	7,699
Miscellaneous	113,620	113,620	150,704	37,084
Total revenues	8,534,423	8,534,423	8,908,433	374,010
EXPENDITURES				
Current operating:				
Physical environment	-	18,640	6,733	11,907
Transportation	7,591,925	7,776,735	6,500,530	1,276,205
Capital outlay:				
Transportation	-	736,608	600,777	135,831
Debt service				
Principal	210,000	210,000	147,866	62,134
Interest	4,745	4,745	58,669	(53,924)
Total expenditures	7,806,670	8,746,728	7,314,575	1,432,153
Excess of revenues over expenditures	727,753	(212,305)	1,593,858	1,806,163
Other Financing Sources				
Sale of surplus equipment	-	81,607	136,107	54,500
Total other financing sources	-	81,607	136,107	54,500
Net change in fund balance	727,753	(130,698)	1,729,965	1,860,663
Fund balance, beginning of year	4,172,818	4,172,818	4,172,818	-
Fund balance, end of year	$ 4,900,571	$ 4,042,120	$ 5,902,783	$ 1,860,663

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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Taxes	$ 620,000	$ 620,000	$ 593,726	$ (26,274)
Licenses, permits and assessments	9,344,000	9,352,400	8,992,263	(360,137)
Intergovernmental	245,250	275,570	276,494	924
Charges for services	12,400	12,400	15,050	2,650
Interest	45,000	45,000	32,187	(12,813)
Miscellaneous	9,800	31,452	46,776	15,324
Total revenues	10,276,450	10,336,822	9,956,496	(380,326)
EXPENDITURES				
Current operating:				
General government	359,754	358,754	322,861	35,893
Public safety	5,180,565	5,493,028	5,313,075	179,953
Physical environment	3,559,694	3,568,094	3,495,356	72,738
Economic environment	1,900	2,900	2,878	22
Debt service				
Principal	192,000	192,000	250,748	(58,748)
Interest	168,626	168,626	109,878	58,748
Total expenditures	9,462,539	9,783,402	9,494,796	288,606
Excess of revenues over expenditures	813,911	553,420	461,700	(91,720)
Other Financing Sources (Uses)				
Sale of equipment	-	(2,100)	2,100	4,200
Transfers out	(1,500,000)	(1,500,000)	(1,500,000)	-
Total other financing sources (uses)	(1,500,000)	(1,502,100)	(1,497,900)	4,200
Net change in fund balance	(686,089)	(948,680)	(1,036,200)	(87,520)
Fund balance, beginning of year	6,571,352	6,571,352	6,571,352	-
Fund balance, end of year	$ 5,885,263	$ 5,622,672	$ 5,535,152	$ (87,520)

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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ 105,829	$ 105,829	$ 115,450	$ 9,621
Charges for services	1,647,171	1,647,171	1,750,323	103,152
Total revenues	1,753,000	1,753,000	1,865,773	112,773
EXPENDITURES				
Current operating:				
General government	820,771	820,771	704,732	116,039
Court-related	1,156,830	1,156,830	1,537,170	(380,340)
Total expenditures	1,977,601	1,977,601	2,241,902	(264,301)
Excess of revenues over expenditures	(224,601)	(224,601)	(376,129)	(151,528)
Other financing sources				
Interfund transfers in	224,601	224,601	376,129	151,528
Total other financing sources	224,601	224,601	376,129	151,528
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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ 72,493	$ 72,493
Charges for services	-	-	148,550	148,550
Miscellaneous	-	-	283,020	283,020
Total revenues	-	-	504,063	504,063
EXPENDITURES				
Current operating:				
Public safety	12,545,473	12,575,953	12,733,784	(157,831)
Capital outlay:				
Public safety	155,000	407,249	389,152	18,097
Total expenditures	12,700,473	12,983,202	13,122,936	(139,734)
Excess of revenues over expenditures	(12,700,473)	(12,983,202)	(12,618,873)	364,329
Other Financing Sources				
Transfers in	12,700,473	12,983,202	12,618,873	(364,329)
Total other financing sources	12,700,473	12,983,202	12,618,873	(364,329)
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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ 1,070,000	$ 1,070,000	$ 1,070,000	$ -
Interest	2,000	2,000	11,214	9,214
Miscellaneous	-	-	88	88
Total revenues	1,072,000	1,072,000	1,081,302	9,302
EXPENDITURES				
Economic environment				
Current operating	470,614	1,001,475	799,014	202,461
Debt service				
Principal	437,852	437,852	438,120	(268)
Interest	51,945	51,945	51,678	267
Total expenditures	960,411	1,491,272	1,288,812	202,460
Excess of revenues over expenditures	111,589	(419,272)	(207,510)	211,762
Other Financing (Uses)				
Transfers out	(225,000)	(225,000)	(225,000)	-
Total other financing (uses)	(225,000)	(225,000)	(225,000)	-
Net change in fund balance	(113,411)	(644,272)	(432,510)	211,762
Fund balance, beginning of year	2,006,597	2,006,597	2,006,597	-
Fund balance, end of year	$ 1,893,186	$ 1,362,325	$ 1,574,087	$ 211,762

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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ 1,161,424	$ 1,161,424	$ 1,207,686	$ 46,262
Interest	-	-	884	884
Total revenues	1,161,424	1,161,424	1,208,570	47,146
EXPENDITURES				
Transportation				
Current expenditures	-	200,000	79,014	120,986
Capital outlay	2,952,353	2,752,353	2,267,892	484,461
Total expenditures	2,952,353	2,952,353	2,346,906	605,447
Excess of revenues over expenditures	(1,790,929)	(1,790,929)	(1,138,336)	652,593
Other financing sources (uses)				
Interfund transfers in	1,694,235	1,694,235	1,694,235	-
Total other financing sources (uses)	1,694,235	1,694,235	1,694,235	-
Net change in fund balance	(96,694)	(96,694)	555,899	652,593
Fund balance, beginning of year	(67,573)	(67,573)	(67,573)	-
Fund balance, end of year	$ (164,267)	$ (164,267)	$ 488,326	$ 652,593

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, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES				
Intergovernmental	$ 6,081,219	$ 6,081,219	$ 2,029,320	$ (4,051,899)
Interest	-	-	23,343	23,343
Miscellaneous	-	-	2,638	2,638
Total revenues	6,081,219	6,081,219	2,055,301	(4,025,918)
EXPENDITURES				
Current operating:				
Transportation	1,056,825	1,412,266	525,827	886,439
Capital outlay:				
Transportation	12,893,498	12,538,057	4,369,259	8,168,798
Total expenditures	13,950,323	13,950,323	4,895,086	9,055,237
Excess of revenues over expenditures	(7,869,104)	(7,869,104)	(2,839,785)	5,029,319
Other Financing Sources				
Transfers in	4,200,000	4,200,000	4,200,000	-
Total other financing sources	4,200,000	4,200,000	4,200,000	-
Net change in fund balance	(3,669,104)	(3,669,104)	1,360,215	5,029,319
Fund balance, beginning of year	5,020,666	5,020,666	5,020,666	-
Fund balance, end of year	$ 1,351,562	$ 1,351,562	$ 6,380,881	$ 5,029,319

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

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

	2015	2014
County's proportion of the net pension liability		
Retirement	0.0980%	0.0918%
Health insurance subsidy	0.0672%	0.0650%
County's proportionate share of the net pension liability		
Retirement	$ 12,652,261	$ 6,073,497
Health insurance subsidy	6,853,010	5,603,796
Total	$ 19,505,271	$ 11,677,293
County's covered payroll	$ 21,254,324	$ 20,866,802
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	91.77%	55.96%
Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%

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

COLUMBIA COUNTY, FLORIDA

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
LAST TWO FISCAL YEARS

	2015	2014
Contractually required contributions		
Pension plan	$ 2,603,392	$ 2,366,976
Health insurance subsidy	340,622	301,780
	$ 2,944,014	$ 2,608,294
Contributions in relation to the contractually required contributions	$ 2,944,014	$ 2,608,294
Contribution deficiency	$ -	$ -
County's covered employee payroll	$ 21,254,324	$ 20,866,802
Contributions as a percentage of covered employee payroll	13.85%	12.50%

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

COLUMBIA COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended September 30, 2015

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, 2015 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)
Clerk of Circuit Court Operating	$ 1,977,601	$ 2,241,902	$ (264,301)
Sheriff Operating	12,983,202	13,122,936	(139,734)
	$14,960,803	$15,364,838	$ (404,035)

The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2015.

	Appropriations	Expenses	Variance Positive (Negative)
Enterprise funds			
Landfill enterprise	$ 6,384,880	$ 2,409,171	$ 3,975,709
Utilities	1,266,229	308,498	957,731
	$ 7,651,109	$ 2,717,669	$ 4,933,440

NOTE 2. PENSION PLAN

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2015, are shown below (in thousands):

	FRS	HIS
Total Pension Liability	$161,370,735	$10,249,201
Plan Fiduciary Net Position	(148,454,394)	(50,774)
Net Pension Liability	$ 12,916,341	$10,198,427
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.00%	0.50%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2015. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS actuarial valuation was prepared as of July 1, 2014, and update procedures were used to determine liabilities as of July 1, 2015. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's

fiscal years ending June 30, 2013, 2014 and 2015, respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal year 2015, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

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

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

Actuarial Methods and Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008 through June 30, 2013. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.60%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 7.65%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.80% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the Generational RP-2000 with Projection Scale BB tables (refer to the valuation reports for more information – See Additional Financial and Actuarial Information).

The following changes in actuarial assumptions occurred in 2015:

- FRS: There were no changes in actuarial assumptions. The inflation rate assumption remained at 2.60%, the real payroll growth assumption remained at 0.65%, and the overall payroll growth rate assumption remained at 3.25%. The long-term expected rate of return remained at 7.65%
- HIS: The municipal bonds rate used to determine total pension liability was decreased from 4.29% to 3.80%.

FUND COMBINING STATEMENTS

COLUMBIA COUNTY FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2015

	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
ASSETS													
Current assets													
Cash	$ 164,088	$ 201,414	$ 6,905	$ 26,641	$ 31,275	$ 40,493	$ 320,413	$ 290,744	$ 1,221	$ 109,028	$ 265,418	$ 9,332	$ 49,836
Accounts receivable	-	-	-	-	-	-	-	-	-	-	820	-	-
Due from other funds	6,766	9,578	1,886	-	-	-	-	-	-	-	10,312	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	$ 170,854	$ 210,992	$ 8,791	$ 26,641	$ 31,275	$ 40,493	$ 320,413	$ 290,744	$ 1,221	$ 109,028	$ 276,550	$ 9,332	$ 49,836
LIABILITIES AND FUND BALANCES													
LIABILITIES													
Current liabilities													
Accounts payable	$ 2,845	$ -	$ 480	$ -	$ 3,390	$ -	$ 772	$ -	$ -	$ 62,852	$ 7,802	$ -	$ 407
Accrued wages	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-	215	-	-	98	19,670	-	-
Due to other funds	-	1,303	-	24,613	-	-	-	-	-	29,728	235,645	-	-
Due to other governmental units	-	-	-	2,028	-	-	-	-	-	-	13,433	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues collected in advance	-	-	-	-	-	-	-	-	-	16,350	-	-	6,248
Total liabilities	2,845	1,303	480	26,641	3,390	-	987	-	-	109,028	276,550	-	6,655
FUND BALANCES													
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	168,009	209,689	8,311	-	27,885	40,493	319,426	290,744	1,221	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-	-	-	43,181
Assigned	-	-	-	-	-	-	-	-	-	-	-	9,332	-
Total fund balances	168,009	209,689	8,311	-	27,885	40,493	319,426	290,744	1,221	-	-	9,332	43,181
Total liabilities and fund balances	$ 170,854	$ 210,992	$ 8,791	$ 26,641	$ 31,275	$ 40,493	$ 320,413	$ 290,744	$ 1,221	$ 109,028	$ 276,550	$ 9,332	$ 49,836

(continued)

COLUMBIA COUNTY FLORIDA

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2015

	Special Revenue Funds								Debt Service Fund	Capital Projects		
	Board of County Commissioners											
	Court Service	Impact Fees	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	$ 556,212	$ 44,451	$ 45,972	$ -	$ 161,286	$ 27,102	$ 56,839	$ 255,614	$ 585,627	$ 130,471	$ 6,702	$ 3,387,084
Accounts receivable	-	-	-	-	-	-	400	123	-	-	-	1,343
Due from other funds	9,999	-	-	-	-	-	-	-	-	-	-	38,541
Due from other governmental units	3,997	-	-	-	-	-	-	73,648	-	-	-	77,645
Prepaid expense	-	-	-	-	-	-	-	1,395	-	-	-	1,395
Investments	300,670	250,000	1,471	-	-	-	-	650,519	-	-	-	1,202,660
Total assets	$ 870,878	$ 294,451	$ 47,443	$ -	$ 161,286	$ 27,102	$ 57,239	$ 981,299	$ 585,627	$ 130,471	$ 6,702	$ 4,708,668
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current liabilities												
Accounts payable	$ 14,109	$ -	$ -	$ -	$ 3,917	$ -	$ 334	$ 6,910	$ -	$ 1,288	$ -	$ 105,106
Accrued wages payable	124	-	-	-	1,973	-	-	1,015	-	-	-	3,112
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-	-	19,983
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	291,289
Due to other governmental units	-	-	-	-	-	-	-	-	-	-	-	15,461
Deposits	-	-	-	-	-	-	2,500	-	-	-	-	2,500
Revenues collected in advance	-	-	-	-	-	-	4	-	-	-	-	22,602
Total liabilities	14,233	-	-	-	5,890	-	2,838	7,925	-	1,288	-	460,053
FUND BALANCES												
Nonspendable	-	-	-	-	-	-	-	1,395	-	-	-	1,395
Restricted	856,645	294,451	47,443	-	155,396	27,102	54,401	971,979	585,627	129,183	-	4,188,005
Committed	-	-	-	-	-	-	-	-	-	-	-	43,181
Assigned	-	-	-	-	-	-	-	-	-	-	6,702	16,034
Total fund balances	856,645	294,451	47,443	-	155,396	27,102	54,401	973,374	585,627	129,183	6,702	4,248,615
Total liabilities and fund balances	$ 870,878	$ 294,451	$ 47,443	$ -	$ 161,286	$ 27,102	$ 57,239	$ 981,299	$ 585,627	$ 130,471	$ 6,702	$ 4,708,668

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, 2015

	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	-	-	-	-	-	3,158	-	-	-	3,275	-	169,906	111,201
Charges for services	88,494	-	30,381	98,345	-	-	172,390	-	1,829	-	1,569,245	-	-
Fines and forfeitures	-	129,221	-	-	21,691	13,925	-	89,673	-	-	-	-	-
Interest income	-	-	-	97	32	38	171	303	2	29	390	4	-
Miscellaneous	-	-	-	2,319	-	-	-	-	-	15,044	7,187	-	-
Total revenues	88,494	129,221	30,381	100,761	21,723	17,121	172,561	89,976	1,831	18,348	1,576,822	169,910	111,201
EXPENDITURES													
Current Expenditures													
General government	-	-	-	1,326,928	-	-	-	-	-	672,965	1,574,243	-	-
Public safety	-	-	-	-	19,416	-	41,492	35,429	5,626	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Court - related	74,480	191,262	25,959	-	-	-	-	-	-	-	-	-	120,704
Capital outlay													
General government	-	-	-	8,409	-	-	-	-	-	18,012	2,579	-	-
Public safety	-	-	-	-	-	-	170,511	105,845	1,118	-	-	-	-
Culture/recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Court - related	70,785	29,269	-	-	-	-	-	-	-	-	-	-	-
Debt service													
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	145,265	220,531	25,959	1,335,337	19,416	-	212,003	141,274	6,744	690,977	1,576,822	-	120,704
Excess of revenues over (under) expenditures	(56,771)	(91,310)	4,422	(1,234,576)	2,307	17,121	(39,442)	(51,298)	(4,913)	(672,629)	-	169,910	(9,503)
OTHER FINANCING SOURCES (USES)													
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund transfers in	-	-	-	1,234,576	-	-	-	-	-	702,357	-	-	-
Interfund transfers out	-	-	-	-	-	-	-	-	-	(29,728)	-	-	-
Total other financing sources (uses)	-	-	-	1,234,576	-	-	-	-	-	672,629	-	-	-
Net change in fund balances	(56,771)	(91,310)	4,422	-	2,307	17,121	(39,442)	(51,298)	(4,913)	-	-	169,910	(9,503)
Fund balances beginning of year	224,780	300,999	3,889	-	25,578	23,372	358,868	342,042	6,134	-	-	(160,578)	52,684
Fund balances end of year	$ 168,009	$ 209,689	$ 8,311	$ -	$ 27,885	$ 40,493	$ 319,426	$ 290,744	$ 1,221	$ -	$ -	$ 9,332	$ 43,181

(Continued)

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

For the Fiscal Year Ending September 30, 2015

	Special Revenue Funds								Debt Service Fund	Capital Projects Fund		
	Court Service	Impact Fees	Board of County Commissioners 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	$ 205,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,002,363	$ 800,000	$ -	$ -	$ 2,007,363
Licenses, permits, assessments	-	-	-	-	-	-	-	-	-	39,922	-	39,922
Intergovernmental revenue	-	-	-	-	358,322	354,230	-	21,000	-	-	-	1,021,092
Charges for services	124,009	-	-	-	-	-	-	-	-	-	-	2,084,693
Fines and forfeitures	-	-	620	-	-	-	-	-	-	-	-	255,130
Interest income	2,043	462	102	-	425	-	103	2,285	-	207	-	6,693
Miscellaneous	-	-	-	-	25	50,000	39,590	10,558	-	-	-	124,723
Total revenues	331,052	462	722	-	358,772	404,230	39,693	1,036,206	800,000	40,129	-	5,539,616
EXPENDITURES												
Current Expenditures												
General government	12,753	-	-	-	-	-	-	-	-	9,236	-	3,596,125
Public safety	-	-	-	-	-	-	-	-	-	-	-	101,963
Economic environment	-	-	-	-	-	405,937	11,105	522,411	-	-	-	939,453
Culture/recreation	-	-	-	-	754,698	-	-	-	-	-	-	754,698
Court -related	306,572	-	-	-	-	-	-	-	-	-	-	718,977
Capital outlay												
General government	-	-	-	-	-	-	-	-	-	-	-	29,000
Public safety	-	-	-	-	-	-	-	-	-	-	-	277,474
Culture/recreation	-	-	-	-	-	-	-	-	-	-	118,298	118,298
Court -related	44,319	-	-	-	-	-	-	-	-	-	-	144,373
Debt service												
Principal	-	-	-	-	-	-	-	-	669,112	-	-	669,112
Interest	-	-	-	-	-	-	-	-	47,887	-	-	47,887
Total expenditures	363,644	-	-	-	754,698	405,937	11,105	522,411	716,999	9,236	118,298	7,397,360
Excess of revenues over (under) expenditures	(32,592)	462	722	-	(395,926)	(1,707)	28,588	513,795	83,001	30,893	(118,298)	(1,857,744)
OTHER FINANCING SOURCES (USES)												
Sale of fixed assets	-	-	-	-	400	-	-	-	-	-	-	400
Interfund transfers in	2,846	-	-	-	538,429	-	-	1,391	-	-	-	2,479,599
Interfund transfers out	-	-	(15,000)	(2,846)	-	-	-	(1,000,000)	-	-	-	(1,047,574)
Total other financing sources (uses)	2,846	-	(15,000)	(2,846)	538,829	-	-	(998,609)	-	-	-	1,432,425
Net change in fund balances	(29,746)	462	(14,278)	(2,846)	142,903	(1,707)	28,588	(484,814)	83,001	30,893	(118,298)	(425,319)
Fund balances beginning 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
Fund balances end of year	$ 856,645	$ 294,451	$ 47,443	$ -	$ 155,396	$ 27,102	$ 54,401	$ 973,374	$ 585,627	$ 129,183	$ 6,702	$ 4,248,615

See notes to financial statements.

COLUMBIA COUNTY FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
September 30, 2015

	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	$ 922,416	$ 968	$ 1,636	$ 7,320	$ 21,782	$ 6,853	$ 381,279	$ 7,189	$ 95,841	$ 163,273	$ 2,102,064	$ 3,710,621
Accounts receivable	13,398	-	-	-	-	-	803,444	-	-	654	-	817,496
Total assets	$ 935,814	$ 968	$ 1,636	$ 7,320	$ 21,782	$ 6,853	$ 1,184,723	$ 7,189	$ 95,841	$ 163,927	$ 2,102,064	$ 4,528,117
LIABILITIES												
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,556	$ 550	$ 4,106
Cash bond liability	42,172	-	-	-	-	-	-	-	-	-	-	42,172
Court fees payable	215,431	-	-	-	-	-	-	-	-	-	-	215,431
Deposits held in escrow	135,603	-	-	-	-	-	-	-	-	7,356	120,747	263,706
Due to other funds	203,354	-	-	-	-	5,353	-	-	-	27,990	93,491	330,188
Due to other governmental units	170,478	-	1,636	7,320	-	-	-	-	-	123,699	1,769,612	2,072,745
Tax deeds payable	147,835	-	-	-	-	-	-	-	-	-	98,003	245,838
Other current liabilities	20,941	968	-	-	21,782	1,500	1,184,723	7,189	95,841	1,326	19,661	1,353,931
Total liabilities	935,814	968	1,636	7,320	21,782	6,853	1,184,723	7,189	95,841	163,927	2,102,064	4,528,117
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, 2015, 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 April 11, 2016.

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.

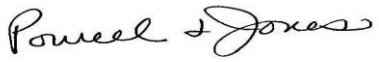
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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 April 11, 2016 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
April 11, 2016

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, 2015. 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, 2015.

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

April 11, 2016

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, 2015. 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, 2015.

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
April 11, 2016

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2015

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#/ CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	(ACCRUED) / DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	ACCRUED / (DEFERRED) 9/30/2015
FEDERAL AWARDS								
MAJOR PROGRAMS								
U.S. Department of Homeland Security								
passed through the Florida Division of Emergency Management								
Hazard Mitigation Grant - Erin Lane	97.039	14HM-6B-03-22-01-29-R	$ 79,500	$ -	$ -	$ 66,923	$ 53,410	$ 26,265
Hazard Mitigation Grant - SR 47	97.039	14-HM-6B-03-22-01-17-R	94,125	-	-	80,687	49,053	-
Hazard Mitigation Grant - Beth-Sparr	97.039	14-HM-6B-03-22-01-26-R	790,875	-	-	47,272	571,731	-
Emergency Management Performance Grant	97.042	15-FG-40-03-22-01-079	51,995	-	-	51,995	43,798	14,010
Emergency Management Performance Grant	97.042	16-FG-5A-03-22-01-079	52,102	-	-	-	4,218	-
State Homeland Security Grant Program	97.067	14-DS-L5-03-22-01-435	10,900	-	-	10,900	10,900	-
Homeland Security Grant Program - Crime Analyst Grant	97.067	15-DS-P4-03-22-01-487	33,750	-	-	12,490	12,490	-
Total U.S. Department of Homeland Security			1,113,247	-	-	270,267	745,600	40,275
Total major programs			1,113,247	-	-	270,267	745,600	40,275
NONMAJOR PROGRAMS								
U.S. Department of Agriculture								
passed through the Florida Department of Financial Services								
Schools and Roads Grants (Secure Rural Schools Programs)	10.665	FY2015	116,042	-	-	116,042	116,042	-
U.S Department of Housing and Urban Development								
passed through Florida Department of Community Affairs								
Small Cities Community Development Block Grant	14.228	11DB-L4-03-22-01-H-20	750,000	401,956	-	169,906	-	-
U.S. Department of the Interior								
Payments in Lieu of Taxes	15.226	FY2015	151,619	-	-	151,619	151,619	11,907
U.S. Department of Justice								
U.S. Drug Enforcement Administration								
passed through the Office of Agricultural Law Enforcement								
Domestic Marijuana Eradication Program	16.004	N/A	2,250	-	-	2,250	2,250	-
passed through the State of Florida Office of the Attorney General								
Victims of Crime Act	16.575	V043-14352	37,380		-	36,665	36,665	-
Bureau of Justice Assistance/Office of Criminal Justice Grants								
Bulletproof Vest Grant	16.607	FY2014	8,071	231		4,631	4,631	-
Bulletproof Vest Grant	16.607	FY2015	5,813	-	-			-
passed through Florida Department of Law Enforcement								
E. Byrne Memorial Justice Assistance Grant	16.738	2014-DJ-BX-0613	17,209	-	-	16,870	16,870	-
			70,723	231	-	60,416	60,416	-
National Endowment for the Humanities								
passed through the Gilder Lehrman Institute of American History								
Civil War 150	45.164	N/A	500	-	-	500	500	-
U.S. Elections Assistance Commission								
Help America Vote Act								
passed through State of Florida Division of Elections								
Federal Elections Activities Grant	90.401	FY2014-2015	3,275	-	9,350	10,275	3,275	16,350
U.S. Department of Health and Human Services								
passed through the Florida Department of Revenue								
Title IV-D Grant Incentive Funds	93.563	FY2014-2015	101,961	-	-	16,870	16,870	-
Total nonmajor programs			1,194,120	402,187	9,350	525,628	348,722	28,257
Total federal awards			**$ 2,307,367**	**$ 402,187**	**$ 9,350**	**$ 795,895**	**$ 1,094,322**	**$ 68,532**

COLUMBIA COUNTY FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For The Fiscal Year Ended September 30, 2015

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#/ CSFA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	(ACCRUED) / DEFERRED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	ACCRUED / (DEFERRED) 9/30/2015
STATE FINANCIAL ASSISTANCE								
MAJOR PROGRAMS								
State of Florida Fish and Wildlife Conservation Commission								
Florida Boating Improvement Program - Cone Bridge	77.006	12251	$ 174,932	$ -	$ -	$ -	$ 105,060	$ -
Florida Boating Improvement Program - Bible Camp	77.006	12250	352,345	-	-	-	275,878	-
			527,277	-	-	-	380,938	-
Department of Transportation								
Small County Outreach Program - Herlong St	55.009	430696-1.2-58-01	2,141,907	-	-	424,645	883,319	424,645
Small County Outreach Program - Real Rd	55.009	434622-1-58-01	812,942	9,305	(9,305)	18,545	39,750	18,545
County Incentive Grant - Bascom Norris at Hwy 90	55.008	434625-1-58-01	1,250,000	42,314	(42,314)	1,207,686	870,599	870,599
Small Counties Road Assistance Program	55.016	ARL38	1,586,130	-	-	1,586,130	1,586,130	-
			5,790,979	51,619	(51,619)	3,237,006	3,379,798	1,313,789
Total major programs			6,318,256	51,619	(51,619)	3,237,006	3,760,736	1,313,789
NONMAJOR PROGRAMS:								
Department of Emergency Management								
Emergency Management Programs	31.063	15-BG-83-03-22-01-012	105,806	-	-	88,221	72,423	30,132
Emergency Management Programs	31.063	16-BG-83-03-22-01-012	105,806	-	-	-	17,079	-
			211,612	-	-	88,221	89,502	30,132
Department of Environmental Protection								
Small County Solid Waste Grant Agreement	37.012	504SC	90,909	-	-	90,909	90,909	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP6025	1,200,000	717,334	-	-	-	-
			1,290,909	717,334	-	90,909	90,909	-
Department of Economic Opportunity								
Visit Florida	40.006	N/A	1,500	-	-	1,500	1,500	-
Visit Florida	40.006	N/A	2,500	-	-	2,500	2,500	-
pass through Florida's Suwannee River Valley Marketing Group								
Visit Florida	40.006	N/A	5,000	-	-	5,000	5,000	-
Visit Florida	40.006	N/A	2,000	-	-	2,000	2,000	-
			11,000	-	-	11,000	11,000	-
Department of Agriculture and Consumer Services								
Arthropod Mosquito Control State Aid	42.003	FDACS Contract #021311	31,540	-	-	31,540	31,540	-
Department of State								
Division of Library Information Services								
State Aid to Libraries Operating/Equalization Grant	45.030	15-ST-09	208,581	-	-	208,581	208,581	-
State Aid to Libraries Operating/Equalization Grant	45.030	13-ST-09	212,605	159,827	52,778	52,778	52,778	-
State Aid to Libraries Operating/Equalization Grant	45.030	14-ST-09	129,179	14,293	114,886	114,886	114,886	-
			550,365	174,120	167,664	376,245	376,245	-
State Housing Initiatives Program								
SHIP Funds 2015	52.901	FY 2014/15	359,645	5,415	349,076	354,230	354,230	-
Department of Health								
Emergency Medical Services County Grant Program	64.003	C3012	30,320	-	13,780	13,780	13,780	-
Emergency Medical Services County Grant Program	64.003	C4012	26,791	-	-	11,684	11,684	(4,856)
			57,111	-	13,780	25,464	25,464	(4,856)
Florida Department of Law Enforcement								
Regional Drug Enforcement Strike Force Grant	N/A	N/A	107,101	785	-	-	-	-
Florida E911 Board								
911 Maintenance	N/A	14-10-4	51,467	-	-	51,467	51,467	-
911 System Upgrade	N/A	S7-14-12-4	87,303	-	-	87,303	87,303	-
911 System Maintenance	N/A	15-4-5	8,261	-	-	8,261	8,261	-
			147,031	-	-	147,031	147,031	-
Total nonmajor programs			2,766,314	897,654	530,520	1,124,640	1,125,921	25,276
Total state financial assistance			**$ 9,084,570**	**$ 949,273**	**$ 478,901**	**$ 4,361,646**	**$ 4,886,657**	**$ 1,339,065**

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, 2015

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, 2015

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
	U.S. Department of Homeland Security
97.039	Hazard Mitigation Grant - Erin Lane
97.039	Hazard Mitigation Grant - SR 47
97.039	Hazard Mitigation Grant - Beth-Sparr
97.042	Emergency Management Performance Grant
97.042	Emergency Management Performance Grant
97.067	State Homeland Security Grant Program
97.067	Homeland Security Grant Program - Crime Analyst 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, 2015

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
	State of Florida Fish and Wildlife Conservation Commission
77.006	Florida Boating Improvement Program - Cone Bridge
77.006	Florida Boating Improvement Program - Bible Camp
	Department of Transportation
55.009	Small County Outreach Program - Herlong St
55.009	Small County Outreach Program - Real Rd
55.008	County Incentive Grant - Bascom Norris at Hwy 90
55.016	Small County Road Assistance 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, 2015, and have issued our report thereon dated April 11, 2016.

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 April 11, 2016, 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

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 recommended that the Board establish a centralized system to monitor grant financial activities, including reimbursement processes.

During the current year, the County received two grants under the Florida Boating Improvement Program totaling $380,938 for construction of two boat ramps. These projects were completed in August 2015, and were then eligible for full grant reimbursement. We found at the time of our audit and continuing to May 20, 2016, approximately eight months later, reimbursement requests had not yet been submitted by the County for these projects.

Also, from our audit of the grant draw request for the projects under the Hazard Mitigation Grant Program, we found that detail time records for reimbursed in-kind matching expenditures were not initially available for audit, as required by the grant regulations. County personnel subsequently provided this information.

During the current year the County developed and implemented grant management software, that if properly utilized would disclose such audit issues in grant project management. However, we

found that the above projects and other grant funded road improvement projects were not managed within this software and resulted in delayed grant reimbursements.

To correct these deficiencies in grant management we recommend that all grant projects be administered within the grant management software and billings for grant reimbursements be made on a timely basis.

CURRENT YEAR FINDINGS

2015-1

Emergency Management Preparedness and Assistance Grant Program Match – The State Emergency Management Preparedness and Assistance Grant Program (EMPA) requires a specified local County match of approximately 27 percent. From our review of this grant we found that the grant matching expenditures were not documented in the budget and financial records, but rather were compiled separately. To more fully document this match, we recommend that the matching expenditures be included in the budget and recorded in the financial records on an ongoing basis.

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

2014-1 – Disbursements – This finding was substantially corrected in the current year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

TAX COLLECTOR

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(l)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Columbia County, Florida, for the year ended September 30, 2014.

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.

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.

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, 2015. 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, 2015:

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.*

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

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

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

In our opinion, Columbia County, Florida and the Columbia County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

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
April 11, 2016

CLERK OF THE CIRCUIT COURT

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

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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, 2015, 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

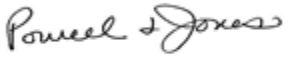
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Clerk of the Circuit Court, as of September 30, 2015, and the results of its operations and budgetary comparisons for the year then ended 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 April 20, 2016, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk of the Circuit Court's internal control over financial reporting and on compliance.

Other Information

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



POWELL & JONES
Certified Public Accountants
April 20, 2016

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT

COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 2015

	Governmental Fund Types		Fiduciary Fund Type	
	General Fund	Special Revenue Funds	Agency Funds	Totals
ASSETS				
Current assets				
Cash	$ 66,190	$ 372,404	$ 954,120	$ 1,392,714
Accounts receivable	-	-	13,398	13,398
Due from other funds	146,411	18,230	-	164,641
Due from other governmental units	18,870	-	-	18,870
Total assets	$ 231,471	$ 390,634	$ 967,518	$ 1,589,623
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	$ 21,318	$ 4,628	$ -	25,946
Due to individuals	-	-	475,897	475,897
Due to other funds	2,190	-	164,641	166,831
Due to Board of County Commissioners	52,301	-	42,506	94,807
Due to other governmental units	29,801	-	170,879	200,680
Deposits	-	-	71,288	71,288
Unearned revenue	125,861	-	-	125,861
Other current liabilities	-	-	42,307	42,307
Total liabilities	231,471	4,628	967,518	1,203,617
FUND BALANCES				
Restricted	-	377,696	-	377,696
Committed	-	8,310	-	8,310
Total fund balances	-	386,006	-	386,006
Total liabilities and fund balances	$ 231,471	$ 390,634	$ 967,518	$ 1,589,623

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, 2015

	General Fund	Special Revenue Funds	Totals
REVENUES			
Intergovernmental	$ 115,450	$ -	$ 115,450
Charges for services	1,226,380	118,874	1,345,254
Fines and forfeitures	523,941	129,220	653,161
Total revenues	1,865,771	248,094	2,113,865
EXPENDITURES			
Current expenditures			
General government	704,732	74,481	779,213
Court related	1,537,168	317,275	1,854,443
Total expenditures	2,241,900	391,756	2,633,656
Excess of revenues over (under) expenditures	(376,129)	(143,662)	(519,791)
OTHER FINANCING SOURCES			
Transfer from Board of County Commissioners	376,129	-	376,129
Total other financing sources	376,129	-	376,129
Net change in fund balance	-	(143,662)	(143,662)
Fund balance at beginning of year	-	529,668	529,668
Fund balance at end of year	$ -	$ 386,006	$ 386,006

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, 2015

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	$ 105,829	$ 115,450	$ 9,621	$ -	$ -	$ -
Charges for services	1,647,171	1,226,380	(420,791)	109,000	118,874	9,874
Fines and forfeitures	-	523,941	523,941	112,000	129,220	17,220
Total revenues	1,753,000	1,865,771	112,771	221,000	248,094	27,094
EXPENDITURES						
Current expenditures						
General government	820,771	704,732	116,039	77,369	74,481	2,888
Court related	1,156,830	1,537,168	(380,338)	177,165	317,275	(140,110)
Total expenditures	1,977,601	2,241,900	(264,299)	254,534	391,756	(137,222)
Excess of revenues over (under) expenditures	(224,601)	(376,129)	(151,528)	(33,534)	(143,662)	(110,128)
OTHER FINANCING SOURCES						
Transfers from Board of County Commissioners	224,601	376,129	151,528	-	-	-
Total other financing sources	224,601	376,129	151,528	-	-	-
Net change in fund balances	-	-	-	(33,534)	(143,662)	(110,128)
Fund balance at beginning of year	-	-	-	529,668	529,668	-
Fund balance at end of year	$ -	$ -	$ -	$ 496,134	$ 386,006	$ (110,128)

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

September 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

(i) **Governmental Funds**

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2015, 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, 2015, the book balance of the Clerk's deposits was $1,392,714. The bank balance was $1,530,631. 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, $118,056, 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, 2015 were as follows: Regular Employees 7.26%; Senior Management 21.43%; Elected Officials 42.27%, and employees electing the DROP Program 12.88%. 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, 2015, 2014 and 2013 were $164,691, $169,037, and $102,851, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2015, were:

	Interfund Receivables	Interfund Payables
General Fund	$ 146,411	$ -
Reserved 10% Fines	9,578	-
Public Records Modernization Trust	6,766	-
Teen Court	1,886	-
Trust	-	164,641
	$ 164,641	$ 164,641

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 $59,929 for the year ended September 30, 2015 from a total of $149,823 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
2016	$ 64,488
2017	63,236
2018	60,515
	$ 188,239

NOTE 7. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2015, 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, 2015:

	Classification					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Public Records Modernization Trust	$ -	$ 168,008	$ -	$ -	$ -	$ 168,008
Teen Court	-	-	8,310	-	-	8,310
Reserved 10% Fines	-	209,688	-	-	-	209,688
	$ -	$ 377,696	$ 8,310	$ -	$ -	$ 386,006

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, 2015

ASSETS	
Current assets	
Cash	$ 66,190
Due from other funds	146,411
Due from other governmental units	18,870
Total assets	$ 231,471
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Current liabilities	
Accounts payable	$ 21,318
Due to Board of County Commissioners	52,301
Due to other funds	2,190
Due to State	29,801
Unearned revenue	125,861
Total liabilities	231,471
FUND BALANCE	
Unreserved	-
Total liabilities and fund balance	$ 231,471

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, 2015

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental revenue				
Federal grants				
IV - D grant	$ 91,000	$ 91,000	$ 100,621	$ 9,621
State grants				
State Court reimbursement	14,829	14,829	14,829	-
Total intergovernmental revenue	105,829	105,829	115,450	9,621
General government				
Charges for services				
Noncourt charges for services				
Recording	145,000	145,000	152,336	7,336
Documentary stamp commissions	10,000	10,000	10,387	387
Marriage licenses fees and charges	23,000	23,000	23,415	415
Passports	20,000	20,000	20,275	275
Copies	12,000	12,000	13,754	1,754
Other charges	12,171	12,171	21,707	9,536
Total general government	222,171	222,171	241,874	19,703
Court related				
Court related charges for services				
Circuit Criminal	95,000	95,000	47,210	(47,790)
Circuit Civil	200,000	200,000	210,289	10,289
County Criminal	190,000	190,000	51,849	(138,151)
County Civil	232,000	232,000	245,937	13,937
Traffic	650,000	650,000	368,548	(281,452)
Juvenile	3,000	3,000	2,957	(43)
Probate	55,000	55,000	57,716	2,716
Total court related charges for services	1,425,000	1,425,000	984,506	(440,494)
Fines and forfeitures				
Court related fines and forfeitures				
Circuit Criminal	-	-	47,627	47,627
County Criminal	-	-	148,473	148,473
Traffic	-	-	327,841	327,841
Total court related fines and forfeitures	-	-	523,941	523,941
Total court related revenues	1,425,000	1,425,000	1,508,447	83,447
Total revenues	1,753,000	1,753,000	1,865,771	112,771

(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, 2015

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
EXPENDITURES				
Board of County Commissioners				
Personnel services	$ 351,842	$ 351,842	$ 353,609	$ (1,767)
Operating expenses	1,800	1,800	2,104	(304)
Total Board of County Commissioners	353,642	353,642	355,713	(2,071)
Other general government				
Personnel services	260,618	260,618	261,927	(1,309)
Operating expenses	18,000	18,000	21,043	(3,043)
Total other general government	278,618	278,618	282,970	(4,352)
Clerk administration				
Personnel services	182,856	182,856	183,774	(918)
Operating expenses	5,655	5,655	6,611	(956)
Capital outlay	-	-	1,238	(1,238)
Total Clerk administration	188,511	188,511	191,623	(3,112)
Court-related payments to State	-	-	243,492	(243,492)
Total court-related payments to State	-	-	243,492	(243,492)
Jury Management				
Personnel services	44,292	44,292	44,515	(223)
Operating expenses	1,370	1,370	1,601	(231)
Total jury management	45,662	45,662	46,116	(454)
Circuit Criminal				
Personnel services	224,217	224,217	225,343	(1,126)
Operating expenses	6,935	6,935	8,107	(1,172)
Total circuit criminal	231,152	231,152	233,450	(2,298)
Circuit Civil				
Personnel services	128,174	128,174	128,818	(644)
Operating expenses	3,964	3,964	4,708	(744)
Total circuit civil	132,138	132,138	133,526	(1,388)
Foreclosure				
Personnel services	14,829	14,829	14,829	-
Total foreclosure	14,829	14,829	14,829	-
Circuit Family				
Personnel services	66,700	66,700	67,035	(335)
Operating expenses	2,063	2,063	2,412	(349)
Total circuit family	68,763	68,763	69,447	(684)

(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, 2015

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
Circuit Juvenile				
Personnel services	$ 63,009	$ 63,009	$ 63,326	$ (317)
Operating expenses	1,949	1,949	2,278	(329)
Total circuit juvenile	64,958	64,958	65,604	(646)
Circuit Probate				
Personnel services	36,444	36,444	36,627	(183)
Operating expenses	1,127	1,127	1,318	(191)
Total circuit probate	37,571	37,571	37,945	(374)
Information Technology				
Personnel services	64,556	64,556	64,880	(324)
Operating expenses	1,000	1,000	1,169	(169)
Total information technology	65,556	65,556	66,049	(493)
County Criminal				
Personnel services	202,695	202,695	203,713	(1,018)
Operating expenses	6,269	6,269	7,329	(1,060)
Total county criminal	208,964	208,964	211,042	(2,078)
County Civil				
Personnel services	93,367	93,367	93,836	(469)
Operating expenses	2,888	2,888	3,376	(488)
Total county civil	96,255	96,255	97,212	(957)
County Traffic				
Personnel services	185,253	185,253	186,183	(930)
Operating services	5,729	5,729	6,699	(970)
Total county traffic	190,982	190,982	192,882	(1,900)
Total expenditures	1,977,601	1,977,601	2,241,900	(264,299)
Excess of revenues over (under) expenditures	(224,601)	(224,601)	(376,129)	(151,528)
Other financing sources				
Transfers from Board of County Commissioners	224,601	224,601	376,129	151,528
Total other financing sources	224,601	224,601	376,129	151,528
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, 2015

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
ASSETS				
Current assets				
Cash	$ 164,087	$ 6,904	$ 201,413	$ 372,404
Due from other funds	6,766	1,886	9,578	18,230
Total assets	$ 170,853	$ 8,790	$ 210,991	$ 390,634
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	$ 2,845	$ 480	$ 1,303	$ 4,628
Total liabilities	2,845	480	1,303	4,628
FUND BALANCES				
Restricted	168,008	-	209,688	377,696
Committed	-	8,310	-	8,310
Total fund balances	168,008	8,310	209,688	386,006
Total liabilities and fund balances	$ 170,853	$ 8,790	$ 210,991	$ 390,634

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended September 30, 2015

	Public Records Modernization Trust	Teen Court	Reserved 10% Fines	Totals
REVENUES				
Charges for services				
General Government				
Recording of legal instruments	$ 88,494	$ -	$ -	$ 88,494
Court related	-	30,380	-	30,380
Fines and forfeitures	-	-	129,220	129,220
Total revenues	88,494	30,380	129,220	248,094
EXPENDITURES				
General Government				
Financial and administrative				
Operating expenses	74,481	-	-	74,481
Total general government	74,481	-	-	74,481
Court related				
Judicial				
Personnel services	-	-	125,555	125,555
Operating expenses	-	25,959	65,707	91,666
Capital outlay	70,785	-	29,269	100,054
Total court related	70,785	25,959	220,531	317,275
Total expenditures	145,266	25,959	220,531	391,756
Excess of revenues over (under) expenditures	(56,772)	4,421	(91,311)	(143,662)
Net change in fund balances	(56,772)	4,421	(91,311)	(143,662)
Fund balances at beginning of year	224,780	3,889	300,999	529,668
Fund balances at end of year	$ 168,008	$ 8,310	$ 209,688	$ 386,006

See notes to financial statements.

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2015

	Clerk Trust	Employee Sunshine	Domestic Relations	Jury and Witness	Public Defender Occupancy Trust	Totals
ASSETS						
Cash	$ 922,414	$ 968	$ 1,636	$ 7,320	$ 21,782	$ 954,120
Accounts receivable	13,398	-	-	-	-	13,398
Total assets	$ 935,812	$ 968	$ 1,636	$ 7,320	$ 21,782	$ 967,518
LIABILITIES						
Due to individuals	$ 468,577	$ -	$ -	$ 7,320	$ -	$ 475,897
Due to other funds	164,641	-	-	-	-	164,641
Due to Board of County Commissioners	42,506	-	-	-	-	42,506
Due to other governmental units	169,243	-	1,636	-	-	170,879
Deposits	71,288	-	-	-	-	71,288
Other current liabilities	19,557	968	-	-	21,782	42,307
Total liabilities	$ 935,812	$ 968	$ 1,636	$ 7,320	$ 21,782	$ 967,518

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, 2015

	Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015
TRUST FUND				
Assets				
Cash	$ 1,043,511	$ 7,989,382	$ 8,110,479	$ 922,414
Accounts receivable	13,562	4,479	4,643	13,398
Total assets	$ 1,057,073	$ 7,993,861	$ 8,115,122	$ 935,812
Liabilities				
Due to individuals	$ 339,876	$ 1,034,172	$ 905,471	$ 468,577
Due to other funds	176,653	9,966,026	9,978,038	164,641
Due to Board of County Commissioners	57,936	618,725	634,155	42,506
Due to other governmental units	370,930	4,074,456	4,276,143	169,243
Deposits	92,942	182,878	204,532	71,288
Other current liabilities	18,736	22,642	21,821	19,557
Total liabilities	$ 1,057,073	$ 15,898,899	$ 16,020,160	$ 935,812
EMPLOYEE SUNSHINE FUND				
Assets				
Cash	$ 613	$ 1,912	$ 1,557	$ 968
Total assets	$ 613	$ 1,912	$ 1,557	$ 968
Liabilities				
Other current liabilities	$ 613	$ 1,912	$ 1,557	$ 968
Total liabilities	$ 613	$ 1,912	$ 1,557	$ 968
DOMESTIC RELATIONS FUND				
Assets				
Cash	$ 1,544	$ 19,122	$ 19,030	$ 1,636
Total assets	$ 1,544	$ 19,122	$ 19,030	$ 1,636
Liabilities				
Due to other governmental units	$ 1,544	$ 18,659	$ 18,567	$ 1,636
Total liabilities	$ 1,544	$ 18,659	$ 18,567	$ 1,636
JURY AND WITNESS FUND				
Assets				
Cash	$ 8,114	$ 13,500	$ 14,294	$ 7,320
Total assets	$ 8,114	$ 13,500	$ 14,294	$ 7,320
Liabilities				
Due to individuals	$ 8,114	$ 13,500	$ 14,294	$ 7,320
Total liabilities	$ 8,114	$ 13,500	$ 14,294	$ 7,320

(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, 2015

	Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015
PUBLIC DEFENDER				
OCCUPANCY TRUST FUND				
Assets				
Cash	$ 23,033	$ 66,920	$ 68,171	$ 21,782
Total assets	$ 23,033	$ 66,920	$ 68,171	$ 21,782
Liabilities				
Other current liabilities	$ 23,033	$ 66,440	$ 67,691	$ 21,782
Total liabilities	$ 23,033	$ 66,440	$ 67,691	$ 21,782
TOTALS - ALL FUNDS				
Assets				
Cash	$ 1,076,815	$ 8,090,836	$ 8,213,531	$ 954,120
Accounts receivable	13,562	4,479	4,643	13,398
Total assets	$ 1,090,377	$ 8,095,315	$ 8,218,174	$ 967,518
Liabilities				
Due to individuals	$ 347,990	$ 1,047,672	$ 919,765	$ 475,897
Due to other funds	176,653	9,966,026	9,978,038	164,641
Due to Board of County Commissioners	57,936	618,725	634,155	42,506
Due to other governmental units	372,474	4,093,115	4,294,710	170,879
Deposits	92,942	182,878	204,532	71,288
Other current liabilities	42,382	90,994	91,069	42,307
Total liabilities	$ 1,090,377	$ 15,999,410	$ 16,122,269	$ 967,518

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, 2015, and the related notes to the financial statements, which collectively comprise the Columbia County Clerk of the Circuit Court's basic financial statements, and have issued our report thereon dated April 20, 2016.

Internal Control Over Financial Reporting

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

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

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

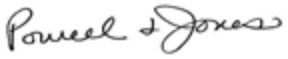
Compliance and Other Matters

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

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

Purpose of this Report

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



POWELL & JONES
Certified Public Accountants
April 20, 2016

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, 2015, and have issued our report thereon dated April 20, 2016. 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, 2015. The financial statements of the Clerk of the Circuit Court are combined with other County agencies in this report.`

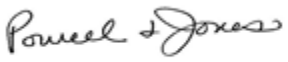
Financial Emergency Status – We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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
April 20, 2016

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, 2015. We have also examined the Clerk's compliance with Sections 28.35 and 28.36, *Florida Statutes* as to the following during the fiscal year ended September 30, 2015:

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 examinations do not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Columbia County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

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
April 20, 2016

PROPERTY APPRAISER

COLUMBIA COUNTY, FLORIDA

PROPERTY APPRAISER

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

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Powell & Jones
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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, 2015, 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.

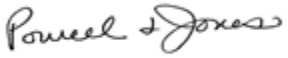
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes,* and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits.* As described in Note 1 to the financial statements, the Property Appraiser 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, 2015, 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 November 10, 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
November 10, 2015

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

PROPERTY APPRAISER
GENERAL FUND
BALANCE SHEET
September 30, 2015

ASSETS		
Cash	**$**	**26,641**
Total assets	**$**	**26,641**
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Current liabilities		
Due to Board of County Commissioners	**$**	**24,613**
Due to other governmental units		**2,028**
Total liabilities and fund balance	**$**	**26,641**

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, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
General government				
County officer fees				
Lake Shore Hospital Authority	$ 68,743	$ 68,743	$ 68,743	$ -
Suwannee River Water Management District	29,603	29,603	29,603	-
Total charges for services	98,346	98,346	98,346	-
Miscellaneous				
Interest earnings	-	-	97	97
Other miscellaneous	-	-	2,319	2,319
Total miscellaneous	-	-	2,416	2,416
Total revenues	98,346	98,346	100,762	2,416
EXPENDITURES				
General government				
Financial and administrative				
Personnel services	1,129,588	1,178,439	1,177,126	1,313
Operating expenses	181,125	164,916	149,803	15,113
Capital outlay	-	8,409	8,409	-
Total expenditures	1,310,713	1,351,764	1,335,338	16,426
Excess of revenues over (under) expenditures	(1,212,367)	(1,253,418)	(1,234,576)	18,842
OTHER FINANCING SOURCES				
Transfers from Board of County Commissioners	1,212,367	1,253,418	1,234,576	(18,842)
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, 2015, the book balance of the Property Appraiser's deposits was $26,641. 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 $115,658, 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, 2015 were as follows: Regular Employees 7.26%; Senior Management 21.43%; Elected Officials 42.27% and Deferred Retirement Option Program (DROP) 12.88%. 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, 2015, 2014 and 2013 were $100,881, $93,165, and $55,275, 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	
2016	$ 1,320
2017	1,320
2018	990
	$ 3,630

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	
2016	$ 3,276
2017	3,276
2018	3,276
	$ 9,828

Lease expense for the year was $5,578.

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, 2015, 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 November 10, 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.

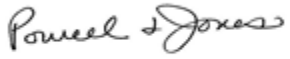
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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
November 10, 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, 2015, and have issued our report thereon dated November 10, 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 November 10, 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, 2015. The financial statements of the Property Appraiser are combined with other County agencies in this report.

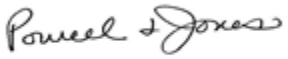
Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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
November 10, 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, 2015. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

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
November 10, 2015

SHERIFF

COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

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COLUMBIA COUNTY, FLORIDA

SHERIFF

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

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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, 2015, 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, 2015, 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 April 20, 2016, 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Columbia County, Florida Sheriff's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

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

POWELL & JONES
Certified Public Accountants
April 20, 2016

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

SHERIFF

COMBINED BALANCE SHEET
ALL FUND TYPES

September 30, 2015

	Governmental Funds		Fiduciary Fund Types	
	General Fund	Special Revenue Funds	Agency Funds	Totals
ASSETS				
Current assets				
Cash	$ 1,009,750	$ 684,144	$ 491,162	$ 2,185,056
Accounts receivable	7,422	-	803,445	810,867
Insurance proceeds receivable	238,465	-	-	238,465
Due from Board of County Commissioners	1,837	-	-	1,837
Due from other governmental units	25,763	-	-	25,763
Prepaid expenses	15,676	-	-	15,676
Total assets	$ 1,298,913	$ 684,144	$ 1,294,607	$ 3,277,664
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	$ 406,157	$ 4,377	$ -	$ 410,534
Accrued liabilities	488,435	-	-	488,435
Due to individuals	-	-	5,861	5,861
Due to Board of County Commissioners	404,321	-	5,353	409,674
Other current liabilities	-	-	1,283,393	1,283,393
Total current liabilities	1,298,913	4,377	1,294,607	2,597,897
FUND BALANCES				
Fund balances restricted	-	679,767	-	679,767
Total liabilities and fund balances	$ 1,298,913	$ 684,144	$ 1,294,607	$ 3,277,664

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, 2015

	General Fund	Special Revenue Funds	Totals
REVENUES			
Intergovernmental	$ 72,493	$ 2,250	$ 74,743
Charges for services	148,550	-	148,550
Fines and forfeitures	-	125,288	125,288
Miscellaneous	283,020	175,672	458,692
Total revenues	504,063	303,210	807,273
EXPENDITURES			
Current expenditures			
Public safety	12,733,784	101,963	12,835,747
Capital outlay			
Public safety	389,152	277,474	666,626
Total expenditures	13,122,936	379,437	13,502,373
Excess of revenues over (under) expenditures	(12,618,873)	(76,227)	(12,695,100)
Other Financing Sources			
Transfers from Board of County Commissioners	12,618,873	-	12,618,873
Total other financing sources	12,618,873	-	12,618,873
Net change in fund balances	-	(76,227)	(76,227)
Fund balances at beginning of year	-	755,994	755,994
Fund balances at end of year	$ -	$ 679,767	$ 679,767

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, 2015

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Intergovernmental	$ -	$ 72,493	$ 72,493	$ 2,250	$ 2,250	$ -
Charges for services	-	148,550	148,550	-	-	-
Fines and forfeitures	-	-	-	125,288	125,288	-
Miscellaneous	-	283,020	283,020	175,672	175,672	-
Total revenue	-	504,063	504,063	303,210	303,210	-
EXPENDITURES						
Current expenditures						
Public safety	12,575,953	12,733,784	(157,831)	101,963	101,963	-
Capital outlay						
Public safety	407,249	389,152	18,097	277,474	277,474	-
Total expenditures	12,983,202	13,122,936	(139,734)	379,437	379,437	-
Excess of revenues over (under) expenditures	(12,983,202)	(12,618,873)	364,329	(76,227)	(76,227)	-
Other Financing Sources						
Transfers from Board of County Commissioners	12,983,202	12,618,873	(364,329)	-	-	-
Total other financing sources	12,983,202	12,618,873	(364,329)	-	-	-
Net change in fund balances	-	-	-	(76,227)	(76,227)	-
Fund balances at beginning of year	-	-	-	755,994	755,994	-
Fund balances at end of year	$ -	$ -	$ -	$ 679,767	$ 679,767	$ -

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

NOTES TO FINANCIAL STATEMENTS

September 30, 2015

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, 2015, the Sheriff maintained the following Special Revenue Funds:

Minimum Standards School
Forfeiture
Inmate Welfare
Forfeiture - Non Grant
Work Program

(ii) **Fiduciary Funds**

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

Inmate Trust
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, 2015, the book balance of the Sheriff's deposits were $2,185,056. The bank balances were $2,406,688. 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	$ -	$ 1,677,867	$ -	$ 1,677,867
FDIC Insurance	507,189	-	-	507,189
Total deposits	$ 507,189	$ 1,677,867	$ -	$ 2,185,056

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 $1,031,440, 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 10/01/14	Donations & Other	Additions	Deletions	Balance 09/30/15
Equipment	$ 7,234,901	$ -	$ 666,626	$ 941,635	$ 6,959,892

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, 2015 were as follows: Regular Employees 7.26%; Special Risk Employees 32.95%; Senior Management 21.43%; Elected Officials 42.27%, and employees electing the DROP program 12.88%. 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, 2015, 2014 and 2013 were $1,224,419, $1,099,966, and $894,759, 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. UNEARNED REVENUE

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

NOTE 7. OPERATING LEASES

The Sheriff has several operating lease agreements for property and equipment with noncancellable terms. These leases are considered for accounting purposes, to be operating leases. Lease expenditures for the fiscal year totaled $51,272. The future minimum payments under these leases at September 30, 2015, are as follows:

Year Ending September 30	Minimum Lease Payment
2016	$ 45,557
2017	34,386
2018	24,163
2019	3,324
2020	831
	$ 108,261

NOTE 8. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2015, 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, 2015:

	Classification					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Special Revenue Funds						
Minimum Standards School	$ -	$ 27,884	$ -	$ -	$ -	$ 27,884
Forfeiture	-	40,493	-	-	-	40,493
Inmate Welfare	-	319,425	-	-	-	319,425
Forfeiture Nongrant	-	290,744	-	-	-	290,744
Work Program	-	1,221	-	-	-	1,221
	$ -	$ 679,767	$ -	$ -	$ -	$ 679,767

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

GENERAL FUND

COLUMBIA COUNTY, FLORIDA

SHERIFF

GENERAL FUND
BALANCE SHEET

September 30, 2015

ASSETS		
Current assets		
Cash	$	1,009,750
Accounts receivable		7,422
Insurance Proceeds Receivable		238,465
Due from Board of County Commissioners		1,837
Due from other governmental units		25,763
Prepaid expenses		15,676
Total assets	$	1,298,913
LIABILITIES		
Liabilities		
Accounts payable	$	406,157
Accrued liabilities		488,435
Due to Board of County Commissioners		404,321
Total liabilities	$	1,298,913

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, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental revenue				
Federal grants				
US Department of Justice	$ -	$ -	$ 72,493	$ 72,493
Charges for Services				
Public safety				
Police services	-	-	148,550	148,550
Miscellaneous				
Other	-	-	283,020	283,020
Total revenue	-	-	504,063	504,063
EXPENDITURES				
Administration				
Personnel services	936,131	942,036	904,739	37,297
Operating expenses	171,553	211,553	210,452	1,101
Total administration	1,107,684	1,153,589	1,115,191	38,398
Road Patrol				
Personnel services	2,664,649	2,680,355	2,669,680	10,675
Operating expenses	709,554	604,554	592,582	11,972
Capital outlay	125,000	125,300	125,236	64
Total road patrol	3,499,203	3,410,209	3,387,498	22,711
Detective				
Personnel services	937,744	959,432	938,783	20,649
Operating expenses	159,618	180,479	176,652	3,827
Total detective	1,097,362	1,139,911	1,115,435	24,476
Civil				
Personnel services	333,905	331,205	321,428	9,777
Operating expenses	87,677	62,464	52,945	9,519
Total civil	421,582	393,669	374,373	19,296
Records Evidence				
Personnel services	217,104	226,346	225,997	349
Operating expenses	21,686	24,061	23,768	293
Total records evidence	238,790	250,407	249,765	642

(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, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Communications				
Operating expenses	$ -	$ -	$ 18,145	$ (18,145)
Corrections				
Personnel services	2,912,464	2,938,752	2,889,774	48,978
Operating expenses	1,089,932	1,150,932	1,408,777	(257,845)
Capital outlay	30,000	14,000	13,091	909
Total corrections	4,032,396	4,103,684	4,311,642	(207,958)
Sheriff Task Force				
Personnel services	281,193	296,357	331,797	(35,440)
Operating expenses	87,074	87,074	93,506	(6,432)
Total Sheriff Task Force	368,267	383,431	425,303	(41,872)
Community Services				
Personnel services	580,851	573,351	552,717	20,634
Operating expenses	107,666	107,666	97,487	10,179
Total community affairs	688,517	681,017	650,204	30,813
Bullet Proof Vest				
Operating expenses	-	-	4,631	(4,631)
Information Technology				
Operating expenses	97,437	148,950	147,617	1,333
Capital outlay	128,000	267,949	233,955	33,994
Total Information Technology	225,437	416,899	381,572	35,327
JAG Equipment Grant				
Capital outlay	-	-	16,870	(16,870)
Total JAG equipment grant	-	-	16,870	(16,870)
JAG Grant				
Operating expenses	-	-	1,837	(1,837)
Total JAG grant	-	-	1,837	(1,837)
Courts Judicial				
Personnel services	740,170	770,269	769,039	1,230
Operating expenses	102,361	102,414	85,809	16,605
Total court judicial	842,531	872,683	854,848	17,835

(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, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Warrents				
Personnel services	$ 171,879	$ 170,878	$ 160,227	$ 10,651
Operating expenses	6,825	6,825	6,239	586
Total Stop	178,704	177,703	166,466	11,237
Victims of Crime Grant				
Personnel services	-	-	36,665	(36,665)
Total Victims of Crime Grant	-	-	36,665	(36,665)
Crime Analyst Grant				
Personnel services	-	-	12,227	(12,227)
Operating expenses	-	-	264	(264)
Total JAG equipment grant	-	-	12,491	(12,491)
Total expenditures	12,700,473	12,983,202	13,122,936	(139,734)
Excess of revenues over (under) expenditures	(12,700,473)	(12,983,202)	(12,618,873)	364,329
Other financing sources				
Transfers from the Board of County Commissioners	12,700,473	12,983,202	12,618,873	(364,329)
Total other financing sources	12,700,473	12,983,202	12,618,873	(364,329)
Net change in fund balance	-	-	-	-
Fund balance beginning of year	-	-	-	-
Fund balance end of year	$ -	$ -	$ -	$ -

See notes to financial statements.

SPECIAL REVENUE FUNDS

COLUMBIA COUNTY, FLORIDA

SHERIFF

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2015

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Totals
ASSETS						
Current Assets						
Cash	$ 31,274	$ 40,493	$ 320,412	$ 290,744	$ 1,221	$ 684,144
Due from other governments	-	-	-	-	-	-
Total current assets	$ 31,274	$ 40,493	$ 320,412	$ 290,744	$ 1,221	$ 684,144
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 3,390	$ -	$ 987	$ -	$ -	$ 4,377
Total liabilities	3,390	-	987	-	-	4,377
FUND BALANCES - Restricted	27,884	40,493	319,425	290,744	1,221	679,767
Total liabilities and fund balances	$ 31,274	$ 40,493	$ 320,412	$ 290,744	$ 1,221	$ 684,144

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, 2015

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Totals
REVENUES						
Intergovernmental revenue						
Federal grant						
Drug eradication revenue	$ -	$ 2,250	$ -	$ -	$ -	$ 2,250
Total intergovernmental revenue	-	2,250	-	-	-	2,250
Fines and forfeitures						
Court cases						
Confiscated property and restitution	-	13,925	-	89,673	-	103,598
Law enforcement education	21,690	-	-	-	-	21,690
Total fines and forfeitures	21,690	13,925	-	89,673	-	125,288
Miscellaneous						
Interest	32	38	170	303	2	545
Other miscellaneous						
Commissions	-	-	172,390	-	-	172,390
Other	-	908	-	-	1,829	2,737
Total miscellaneous	32	946	172,560	303	1,831	175,672
Total revenues	21,722	17,121	172,560	89,976	1,831	303,210
EXPENDITURES						
Public Safety						
Law enforcement						
Operating expenses	19,416	-	-	35,429	5,626	60,471
Capital outlay	-	-	-	105,845	1,118	106,963
Total law enforcement	19,416	-	-	141,274	6,744	167,434

(Continued)

COLUMBIA COUNTY, FLORIDA
SHERIFF
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2015

	Minimum Standards School	Forfeiture	Inmate Welfare	Forfeiture Nongrant	Work Program	Totals
Detention and correction						
Personnel services	$ -	$ -	$ 13,378	$ -	$ -	$ 13,378
Operating expenses	-	-	28,114	-	-	28,114
Capital outlay	-	-	170,511	-	-	170,511
Total detention and correction	-	-	212,003	-	-	212,003
Total expenditures	19,416	-	212,003	141,274	6,744	379,437
Excess of revenues over (under) expenditures	2,306	17,121	(39,443)	(51,298)	(4,913)	(76,227)
Net change in fund balances	2,306	17,121	(39,443)	(51,298)	(4,913)	(76,227)
Fund balances beginning of year	25,578	23,372	358,868	342,042	6,134	755,994
Fund balances end of year	$ 27,884	$ 40,493	$319,425	$290,744	$ 1,221	$679,767

See notes to financial statements.

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2015

	Inmate Trust	Individual Depositors	Evidence Trust	Donations Trust	Totals
ASSETS					
Current assets					
Cash	$ 381,279	$ 6,853	$ 95,841	$ 7,189	$ 491,162
Accounts receivable	803,445	-	-	-	803,445
Total current assets	$ 1,184,724	$ 6,853	$ 95,841	$ 7,189	$ 1,294,607
LIABILITIES					
Current liabilities					
Due to individuals	$ 5,861	$ -	$ -	$ -	$ 5,861
Due to Board of County Commissioners	-	5,353	-	-	5,353
Other current liabilities	1,178,863	1,500	95,841	7,189	1,283,393
Total current liabilities	$ 1,184,724	$ 6,853	$ 95,841	$ 7,189	$ 1,294,607

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA

SHERIFF

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended September 30, 2015

	Balance Oct. 1, 2014	Additions	Deletions	Balance Sept. 30, 2015
INMATE TRUST				
ASSETS				
Cash	$ 376,943	$ 486,748	$ 482,412	$ 381,279
Due from individuals	470,028	333,417	-	803,445
Total assets	$ 846,971	$ 820,165	$ 482,412	$ 1,184,724
LIABILITIES				
Due to individuals	$ 4,788	$ 483,485	$ 482,412	$ 5,861
Other current liabilities	842,183	72,814	(263,866)	1,178,863
Total liabilities	$ 846,971	$ 556,299	$ 218,547	$ 1,184,724
INDIVIDUAL DEPOSITORS				
ASSETS				
Cash	$ 8,024	$ 100,135	$ 101,306	$ 6,853
Total assets	$ 8,024	$ 100,135	$ 101,306	$ 6,853
LIABILITIES				
Individual depositors liability	$ -	$ 10,800	$ 9,300	$ 1,500
Due to Board of County Commissioners	8,024	65,018	67,689	5,353
Total liabilities	$ 8,024	$ 75,818	$ 76,989	$ 6,853
EVIDENCE TRUST				
ASSETS				
Cash	$ 61,109	$ 127,398	$ 92,666	$ 95,841
Total assets	$ 61,109	$ 127,398	$ 92,666	$ 95,841
LIABILITIES				
Other current liabilities	$ 61,109	$ 127,398	$ 92,666	$ 95,841
Total liabilities	$ 61,109	$ 127,398	$ 92,666	$ 95,841
DONATIONS TRUST				
ASSETS				
Cash	$ 12,117	$ 39,904	$ 44,832	$ 7,189
Total assets	$ 12,117	$ 39,904	$ 44,832	$ 7,189
LIABILITIES				
Other current liabilities	$ 12,117	$ 39,904	$ 44,832	$ 7,189
Total liabilities	$ 12,117	$ 39,904	$ 44,832	$ 7,189
TOTALS-ALL AGENCY FUNDS				
ASSETS				
Cash	$ 458,193	$ 754,185	$ 721,216	$ 491,162
Due from individuals	470,028	333,417	-	803,445
Total assets	$ 928,221	$ 1,087,602	$ 721,216	$ 1,294,607
LIABILITIES				
Individual depositors liability	$ -	$ 10,800	$ 9,300	$ 1,500
Due to individuals	4,788	483,485	482,412	5,861
Due to Board of County Commissioners	8,024	65,018	67,689	5,353
Other current liabilities	915,409	240,116	126,368	1,281,893
Total liabilities	$ 928,221	$ 799,419	$ 685,769	$ 1,294,607

See notes to financial statements.

COMPLIANCE SECTION

COLUMBIA COUNTY FLORIDA
SHERIFF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Fiscal Year Ended September 30, 2015

Federal and State Grantor/Pass Through Grantor Program Title	CFDA#	GRANT #	PROGRAM OR AWARD AMOUNT	REPORTED IN PRIOR YEARS	(ACCRUED) / UNEARNED IN PRIOR YEAR	REVENUES RECOGNIZED	EXPENDITURES	ACCRUED / (UNEARNED) 9/30/2015
FEDERAL AWARDS								
US Department of Justice								
Bureau of Justice Assistance/Office of Criminal Justice Grants								
Bulletproof Vest Grant	16.607	FY2014	$ 8,071	$ 231	$ -	$ 4,631	$ 4,631	$ -
Bulletproof Vest Grant	16.607	FY2015	5,813	-	-	-	-	-
			13,884			4,631	4,631	
U.S. Drug Enforcement Administration								
passed through the Office of Agricultural Law Enforcement								
Domestic Marijuana Eradication Program	16.004	N/A	2,250	-	-	2,250	2,250	-
passed through the State of Florida Office of the Attorney General								
Victims of Crime Act	16.575	V043-14352	37,380	-	-	36,665	36,665	-
passed through Florida Department of Law Enforcement								
E. Byrne Memorial Justice Assistance Grant	16.738	2014-DJ-BX-0613	17,209	-	-	16,870	16,870	-
			17,209	-	-	16,870	16,870	-
Total US Department of Justice			70,723	-	-	60,416	60,416	-
U.S. Department of Homeland Security								
passed through State of Florida Division of Emergency Management								
Homeland Security Grant Program - Crime Analyst Grant	97.067	15-DS-P4-03-22-01-487	33,750	-	-	12,490	12,490	-
Total U.S. Department of Homeland Security			33,750	-	-	12,490	12,490	-
Total Federal Awards			$ 104,473	$ -	$ -	$ 72,906	$ 72,906	$ -

See notes to the Schedule of Expenditures of Federal Awards.

COLUMBIA COUNTY, FLORIDA
SHERIFF

Notes to Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended September 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the special purpose financial statements of the Columbia County, Florida Sheriff have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations and Office of Management and Budget Circular A-133 and Chapter 10.550, Rules of the Auditor General of Florida.

1. Reporting Entity

The Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Columbia County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.
These special purpose financial statements of the Sheriff are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Basis of Accounting

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

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

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

To the Sheriff
Columbia County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Columbia County Sheriff as of and for the year ended September 30, 2015, 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 April 20, 2016.

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
April 20, 2016

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, 2015, and have issued our report thereon dated April 20, 2016.

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, 2015. 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
April 20, 2016

INDEPENDENT ACCOUNTANT'S REPORT

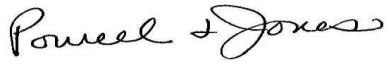
To The Sheriff
Columbia County, Florida

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, 2015. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

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
April 20, 2016

SUPERVISOR OF ELECTIONS

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

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Powell & Jones
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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, 2015, 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.

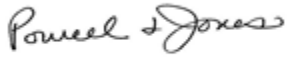
The accompanying special purpose fund financial statements were prepared for the purpose of complying with Section 218.39(8), *Florida Statutes,* and Rule 10.557(5), *Rules of the Auditor General – Local Governmental Entity Audits.* As described in Note 1 to the financial statements, the Supervisor of 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, 2015, 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 November 14, 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 Election's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
November 14, 2015

FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
GENERAL FUND
BALANCE SHEET
September 30, 2015

ASSETS		
Current Assets		
Cash	**$**	**109,028**
Total assets	**$**	**109,028**
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Current Liabilities		
Accounts payable	**$**	**62,950**
Deferred revenue		**16,350**
Due to Board of County Commissioners		**29,728**
Total liabilities		**109,028**
FUND BALANCE		**-**
Total liabilities and fund balance	**$**	**109,028**

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, 2015

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental			
Federal grants			
Voter education	$ -	$ 3,275	$ 3,275
Total intergovernmental	-	3,275	3,275
Miscellaneous			
Other	-	15,073	15,073
Total miscellaneous	-	15,073	15,073
Total revenues	-	18,348	18,348
EXPENDITURES			
General government			
Other general government			
Supervisor of Elections			
Personnel services	412,857	341,708	71,149
Operating expenses	10,500	107,604	(97,104)
Total Supervisor of Elections	423,357	449,312	(25,955)
Elections			
Personnel services	139,000	22,575	116,425
Operating expenses	103,022	219,090	(116,068)
Total elections	242,022	241,665	357
Total general government	665,379	690,977	(25,598)
Excess of revenues over (under) expenditures	(665,379)	(672,629)	(7,250)
OTHER FINANCING SOURCES			
Transfers in from Board of County Commissioners	702,357	702,357	-
Transfers out to Board of County Commissioners	(36,978)	(29,728)	7,250
Total other financing sources	665,379	672,629	7,250
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, 2015

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, 2015, the book balance of the Supervisor of Elections' deposits was $109,028. 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 $14,352, 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, 2015, were as follows: Regular Employees 7.26%; Senior Management 21.43%; Elected Officials 42.27%, and employees electing the DROP Program 12.88%. 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, 2015, 2014 and 2013 were $53,733, $52,521, and $24,706, 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,	
2016	$ 1,899
	$ 1,899

Lease expense for the year was $4,580.

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, 2015, 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 November 14, 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.

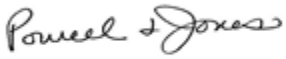
Compliance and Other Matters

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
November 14, 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, 2015, and have issued our report thereon dated November 14, 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 November 14, 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

Prior year findings were corrected in the current 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, 2015. 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.

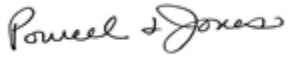
Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(6)(c)(1) and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition

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
November 14, 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, 2015. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

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

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

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
November 14, 2015

TAX COLLECTOR

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2015

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Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Tax Collector
Columbia County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose financial statements of the Columbia County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2015, 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

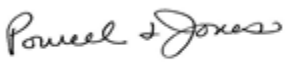
In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia County Tax Collector, as of September 30, 2015, and the respective changes in financial position and budgetary comparisons and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2016, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

Other Information

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



POWELL & JONES
Certified Public Accounts
April 4, 2016

COMBINED FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR
COMBINED BALANCE SHEET – ALL FUND TYPES
September 30, 2015

	Governmental Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	General Fund	Agency Funds	
ASSETS			
Current assets			
Cash	$ 265,418	$ 2,265,336	$ 2,530,754
Accounts receivable	820	654	1,474
Due from other funds	10,312	-	10,312
Total assets	$ 276,550	$ 2,265,990	$ 2,542,540
LIABILITIES			
Current liabilities			
Accounts payable	$ 7,803	$ 4,106	$ 11,909
Due to individuals	-	98,003	98,003
Due to other funds	-	10,312	10,312
Due to Board of County Commissioners	235,645	-	235,645
Due to other governmental units	13,433	1,934,665	1,948,098
Accrued payroll deductions and matching	19,669	-	19,669
Other current liabilities	-	218,904	218,904
Total liabilities	$ 276,550	$ 2,265,990	$ 2,542,540

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, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services				
County Officer commissions and fees				
Professional and occupational licenses	$ -	$ -	$ 16,908	$ 16,908
Motor vehicle fees	484,587	484,935	380,750	(104,185)
Drivers license fees	129,185	129,185	129,185	-
Concealed weapons fee	-	-	944	944
Other licenses and permits	-	-	4,672	4,672
State commissions	-	-	1,530	1,530
County commissions	731,358	731,358	495,713	(235,645)
Tax commissions				
Suwannee Water Management District	19,226	19,226	16,603	(2,623)
Lake Shore Hospital Authority	44,664	44,664	38,572	(6,092)
Delinquent tax commissions	-	-	196,264	196,264
Special assessment commissions	204,916	204,916	200,199	(4,717)
Special assessment administrative fees	-	-	87,905	87,905
Total charges for services	1,613,936	1,614,284	1,569,245	(45,039)
Miscellaneous				
Interest earnings	-	-	390	390
Other miscellaneous	-	-	7,187	7,187
Total miscellaneous	-	-	7,577	7,577
Total revenues	1,613,936	1,614,284	1,576,822	(37,462)
EXPENDITURES				
General government				
Personnel services	1,383,692	1,384,040	1,368,358	15,682
Operating expenses	222,244	222,244	205,885	16,359
Capital outlay	8,000	8,000	2,579	5,421
Total expenditures	1,613,936	1,614,284	1,576,822	37,462

(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, 2015

	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, 2015

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, 2015, the book balance of the Tax Collector's deposits was $2,530,754. Of this balance, $250,000 was covered by federal depository insurance, and $2,280,754 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 $173,624 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, 2015 were as follows: Regular Employees 7.26%; Senior Management 21.43%; Elected Officials 42.27%; Deferred Retirement Option Program (DROP) 12.88%. 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, 2015, 2014 and 2013 were $148,234, $131,853, and $72,734, equal to the required contributions for each year.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2015, were:

	Interfund Receivable	Interfund Payable
General Fund	$ 10,312	$ -
Ad Valorem Tax Fund	-	10,312
	$ 10,312	$ 10,312

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,	
2016	2,194
	$ 2,194

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,	
2016	$ 1,673
2017	1,673
2018	1,673
2019	1,674
	$ 6,693

Lease expense for the year was $6,133.

COMBINING FUND STATEMENTS

AGENCY FUNDS

COLUMBIA COUNTY, FLORIDA

TAX COLLECTOR

AGENCY FUNDS

COMBINING BALANCE SHEET

September 30, 2015

	Ad Valorem Tax Fund	Tag Agency Fund	Totals
ASSETS			
Cash	$ 2,102,063	$ 163,273	$ 2,265,336
Accounts receivable	-	654	654
Total assets	$ 2,102,063	$ 163,927	$ 2,265,990
LIABILITIES			
Accounts payable	$ 550	$ 3,556	$ 4,106
Due to individuals	98,003	-	98,003
Due to other funds	10,312	-	10,312
Due to other governmental units	1,782,976	151,689	1,934,665
Interest payable	2,779	-	2,779
Occupational licenses payable	70,815	-	70,815
Escrow funds payable	120,747	-	120,747
Other current liabilities	15,881	8,682	24,563
Total liabilities	$ 2,102,063	$ 163,927	$ 2,265,990

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, 2015

	Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015
TAG AGENCY FUND				
Assets				
Cash	$ 220,172	$ 7,721,738	$ 7,778,637	$ 163,273
Dishonored checks receivable	460	14,564	14,370	654
Total assets	$ 220,632	$ 7,736,302	$ 7,793,007	$ 163,927
Liabilities				
Accounts payable	$ 17,594	$ 29,496	$ 43,534	$ 3,556
Due to other governmental units	196,970	7,676,213	7,721,494	151,689
Interest payable	243	312	555	-
Other current liabilities	5,825	152,424	149,567	8,682
Total liabilities	$ 220,632	$ 7,858,445	$ 7,915,150	$ 163,927
AD VALOREM TAX FUND				
Assets				
Cash	$ 2,124,091	$ 57,854,513	$ 57,876,541	$ 2,102,063
Dishonored checks receivable	-	85,324	85,324	-
Total assets	$ 2,124,091	$ 57,939,837	$ 57,961,865	$ 2,102,063
Liabilities				
Accounts payable	$ 200	$ 111,779	$ 111,429	$ 550
Due to individuals	153,699	4,445,044	4,500,740	98,003
Due to other funds	51,914	1,004,952	1,046,554	10,312
Due to other governmental units	1,790,304	53,828,684	53,836,012	1,782,976
Interest payable	2,957	2,904	3,082	2,779
Occupational licenses payable	70,712	160,920	160,817	70,815
Escrow funds payable	23,830	194,513	97,596	120,747
Other current liabilities	30,475	1,139,102	1,153,696	15,881
Total liabilities	$ 2,124,091	$ 60,887,898	$ 60,909,926	$ 2,102,063

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, 2015

	Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	$ 2,344,263	$ 65,576,251	$ 65,655,178	$ 2,265,336
Dishonored checks receivable	460	99,888	99,694	654
Total assets	$ 2,344,723	$ 65,676,139	$ 65,754,872	$ 2,265,990
Liabilities				
Accounts payable	$ 17,794	$ 141,275	$ 154,963	$ 4,106
Due to individuals	153,699	4,445,044	4,500,740	98,003
Due to other funds	51,914	1,004,952	1,046,554	10,312
Due to other governmental units	1,987,274	61,504,897	61,557,506	1,934,665
Interest payable	3,200	3,216	3,637	2,779
Occupational licenses payable	70,712	160,920	160,817	70,815
Escrow funds payable	23,830	194,513	97,596	120,747
Other current liabilities	36,300	1,291,527	1,303,263	24,563
Total liabilities	$ 2,344,723	$ 68,746,344	$ 68,825,076	$ 2,265,991

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, 2015, and the related notes to the financial statements, which collectively comprise the Columbia County Tax Collector's basic financial statements, and have issued our report thereon dated April 4, 2016.

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.

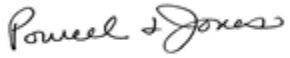
Compliance and Other Matters

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
April 4, 2016

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, 2015, and have issued our report thereon dated April 4, 2016

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated April 4, 2016. 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, 2015. The financial statements of the Tax Collector are combined with other County agencies in that report.

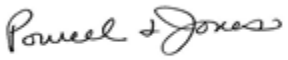
Financial Emergency Status – We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

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
Certified Public Accountants
April 4, 2016

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, 2015. 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, 2015.

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
April 4, 2016